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15 February 1983

WEST EUROPE REPORT

No. 2102

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INF DEPLOYMENT SEEN ESSENTIAL TO PROTECT NATIONAL INTERESTS

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 11 Jan 83 p 1

Commentary by Johann Georg Reissmueller: "Our 'Special Interests'"

Text Cohesion in the Western alliance is weakening. This process is starting at the edges. Greece has repeatedly refused to participate in NATO maneuvers and dissociates itself from political decisions of the alliance when the Soviet Bloc is the subject. Spain had barely joined NATO when it froze its military participation in the alliance following the election victory of the Socialists.

That is what it looks like at the southern flank of the alliance. And in the north? Denmark fulfills only in part the obligation it has undertaken to contribute to the costs of NATO counterarming. In Norway the government was able to garner a parliamentary majority of only one vote for such a payment. The Netherlands and Belgium are leaving their readiness to accept counterarmament weapons halfway in the dark. In the center of the NATO area things do not look too promising either. We have long been accustomed to the fact that France remains outside the military integration of the alliance, nobody can imagine its return today. In the FRG a government is in power that avows all alliance decisions, including the counterarmament decision. But should this government not survive the March elections, then the German affirmation of counterarmament would probably be void--the SPD, which would then lead the FRG, is moving hastily away from counterarmament.

All that looks like decay. But the partners do not simply say that they want to let the Atlantic Alliance fail. They have justifications for their behavior which indicate motives. Among the motives, the terms "special European" interests and appropriate "national interests" take first place. In the FRG the "special German interests" became stock phrases at the time of the Schmidt government. The SPD used the term frequently and Chancellor Schmidt made increasing use of it. Now in the opposition, this view has intensified. Party Chairman Brandt said "in view of the German interests" the SPD will insist that the Americans, too, abandon their initial positions at the Geneva negotiations. SPD federal executive secretary Glotz announced that in the election campaign "consistent representation of German interests" will play a principal part.

But what are the "special European" and "German interests"? The main interest of the West Europeans is to be protected against the Soviet colussus that is trying to neutralize West Europe by pressure, to bend it to its will.

The West Europeans could provide their own security vis-a-vis the Soviet Union, they would have the potential. But they missed the boat. The only serious attempt in that direction was the European Defense Community project. It fell through in 1954 because of the French parliament; thereafter nothing similar was undertaken. The West Europeans did not want to make the necessary sovereignty and material sacrifices for their security in the face of the Soviet power. They have not equipped themselves either with nuclear or conventional weapons to be protected against Soviet pressure. Thus they had no choice but to obtain such protection in alliance with the United States. It is now in their interest that this alliance fulfills its purpose, that it functions politically and militarily. This European interest coincides with the U.S. interest--for a free Europe not subjected to Soviet wishes is necessary to the United States. However, the European interest in the alliance is more urgent, more a question of survival; that is a consequence of the geography.

Necessary military equipment of the alliance includes medium-range missiles, because the Soviet Union has been installing such missiles in large numbers with conspicuous hurry. The absence of such weapons on the West European side leaves a dangerous gaping hole in the network of Western security precautions, which cannot be closed by any other means. As long as there are no U.S. medium-range missiles in West Europe, there is no balance on our continent—which alone can guarantee West Europe's security and peace—but a dangerous imbalance.

In the absence of U.S. medium-range missiles, West Europe is facing the Soviet superpower without the backing of the U.S. superpower in a vital armament sector. Therefore it is especially in the European and German interest that counterarmament takes place if the Geneva negotiations fail. It is not the United States that needs the medium-range missiles--the United States protects its territory by long-range missiles; we West Europeans need them and we Germans above all others.

Undoubtedly there is a specific interest on the part of the Europeans to reduce tensions between the two world blocs which clash in the center of our continent. There is also a special German interest in a bond, in as much contact between Germans in east and west as possible. But such special European or national interests must be in proportion to West Europe's security interests. This protection of our half-continent against a Soviet grab--be it military or political with military background--is the overriding interest of West Europe and the Germans.

12356
CSO: 3620/171

THEATER FORCES

NORWAY

LABOR LEADER BRUNDTLAND CHARGES U.S. BROKE AGREEMENTS

Oslo ARBEIDERBLADET in Norwegian 18 Jan 83 p 7

[Article by Nils Ottar Ask]

[Text] "If what is being referred to in this document represents official American security policy, it means that the United States will not accept agreements entered into and the principles that have been established for East-West relationships," Gro Harlem Brundtland told ARBEIDERBLADET in reference to the Pentagon report. It appears from this document that the United States is preparing to fight a lengthy nuclear war with the Soviet Union, while at the same time preparing to wage a nuclear war from outer space.

However, Gro Harlem Brundtland expressed some doubt as to the status of the document--whether what it says represents official American policy. The basis for the reservation is the denials made by the American secretary of defense this summer when parts of the same document leaked out.

"But if such planning is going on in the United States, it runs entirely contrary to the principles for East-West cooperation and the recommendations made by the Palme Commission concerning mutual security. According to newspaper reports, such plans would also violate the ABM agreement--an agreement that is a central prerequisite for the entire SALT process. The ABM agreement contains guidelines for mutual restraint and is intended to block a continuation of the arms race. If this agreement is not respected, we will enter a new and dangerous escalation of the strategic arms race.

"The suggestion that there are also plans to wage nuclear warfare from outer space is also in total conflict with the recommendations of the Palme Commission," said Harlem Brundtland, who rejects the kinds of ideas contained in the report.

However the ideas reflected in the report are in line with what President Reagan said in his 1980 election campaign. Reagan then supported a line that called for active U.S. arms build-up efforts, a demonstration of strength and a strong showing in the international context. The United States should be the strongest, the best and the biggest, Reagan promised.

Such an attitude would simply stimulate the driving forces behind the arms race. Mutual arms reduction cannot result from that kind of line, the Labor Party chairman stressed.

No Plans

"Neither the United States nor other allies of ours believe it will be possible to win a war with nuclear weapons and to date no such plans exist," Foreign Minister Svenn Stray told NTB.

"The American efforts to improve their strategic nuclear weapons strength must be seen against the background of the sizable Soviet military force build-up in all areas, including nuclear arms," said Stray. "On the American side, they have realized it is necessary to take steps to strengthen their capacity to deter war. The goal is still to prevent the outbreak of hostilities and thus avoid the possibility that nuclear weapons will ever be used."

6578
CSO: 3639/56

THEATER FORCES

NORWAY

LABOR PARTY WOMEN'S GROUP CONDUCTING CAMPAIGN TO HALT TNF

Oslo ARBEIDERBLADET in Norwegian 18 Jan 83 p 7

[Article by Tone B. Jamholt]

[Text] The Labor Party's women's groups in various counties will unanimously reject the deployment of new medium-range missiles in Europe. That is shown by statements from the annual meetings held over the weekend, which are right in line with a national committee meeting resolution the women's movement adopted last October.

There are many indications that the women's movement would like to back a proposal for a new negotiating agenda on nuclear weapons, but at the same time it wants to take a clear stand against the deployment of medium-range missiles regardless of the results of the Geneva talks.

Akershus

A statement from the annual meeting of the Akershus Labor Women's Committee says that under any circumstances, Norway should oppose the deployment of new nuclear weapons in Western Europe. Norway has never pledged itself to missile deployment in the event the negotiations are unsuccessful, the statement says.

The women's committee also said that Norway should work actively within NATO to produce a declaration that under no circumstances would NATO be the first to use nuclear weapons. NATO's defense plans should be made in accordance with such a declaration.

Hedemark

The annual meeting of the Hedemark Labor Women's Committee called for a total ban on nuclear weapons and the statement also contained a rejection of medium-range missiles. They also demanded an agreement to halt all tests of nuclear weapons and a total international ban on the production and use of nuclear weapons. The statement also said they have great expectations from the meeting the Social Democratic parties will hold in Bonn at the end of the month.

The Labor Party's women's movement will hold its national women's conference in March and proposals have been submitted calling for the party to reject missile deployment. In its recommendation, the Women's Secretariat refers to earlier resolutions by the women's movement. At a national committee meeting last October, a resolution was passed which opposed deployment.

Monstrous

Leaks from a report on how the United States would fight a protracted nuclear war were met by sharp reactions from prominent Labor women:

"The peace movement said that such plans existed earlier, but this was flatly denied," said the deputy chief of the Labor women's movement, Anneliese Dorum, speaking to ARBEIDERBLADET. "But time after time, we see that the peace movement was right and this has an unusually confusing effect and leads to loss of confidence. The latest leak strengthens us in the struggle against deployment of medium-range missiles and it confirms that all forces must be set in to deflect the arms spiral. I want to stress that our struggle includes all nuclear weapons."

Dorum has just returned home from a meeting of the women's movement's Socialist International. She says the international organization also took a clear stand against deployment of new medium-range missiles, with the exception of the French members. The international body supported a nuclear-free Europe. "The entire international working women's movement is now heavily involved in the issue of arms reduction," she said.

Another woman who has been strongly involved in the fight against nuclear weapons, Storting representative Sissel Ronbeck, reacted sharply to the news from the United States. "It is monstrous and it would not surprise me if the reports turn out to be quite accurate," she told ARBEIDERBLADET.

6578
CSO: 3639/56

TERRORISM

PORUGAL

BRIEFS

FP-25 PRISONER ESCAPES--Yesterday, three armed individuals freed a prisoner who is connected with the FP-25 of April as he was being escorted by a guard from the Coimbra prison to the hospital for a medical examination. The prisoner, 28-year-old Daniel Horacio Martins Tavares, an electronic and mechanical engineer, was serving a major sentence of 14 years. He had been condemned for his involvement in the armed robbery of the Penacova Department of Finance. According to what DIARIO DE NOTICIAS was able to learn, two individuals armed with what apparently were Browning pistols put the prison guard out of action while the third initially covered the room and then the others' retreat from the room with an automatic pistol. This lasted only a few seconds. Daniel Tavares took the guard's Walther 7.65 caliber pistol before he left. After leaving the hospital ward, the four men escaped in a car they had left parked in front of the hospital. Daniel Tavares was a secondary school teacher. He has 10 criminal suits pending against him for criminal acts as well as other accusations. According to the DGSP, he allegedly took part in robbing a credit establishment in Vila da Feira and in destroying Salazar's statue in Santa Comba Dao. An all points bulletin for his arrest was sent to all authorities. [Excerpts] [Lisbon DIARIO DE NOTICIAS in Portuguese 11 Jan 83 p 1] 9935

CSO: 3542/7

WARNING OF INCREASED TERROR AGAINST BUSINESSMEN

Madrid EL ALCAZAR in Spanish 4 Jan 83 p 11

[Text] The terrorist organization ETA [Basque Fatherland and Liberty Group] may have already studied how it is going to react after the "serious setback" it suffered with the liberation of the businessman Saturnino Orbegozo. Its plan reportedly consists of intensifying its extortion and kidnapping campaign against Basque industrialists in the coming months. As a first step, the political-military wing (VIII Congress) has demanded that the Orbegozo family pay 60 million pesetas if they do not want reprisals to be taken against family members.

Last Thursday, hours after the Civil Guard freed Orbegozo, ETA members made this threat in a telephone call to the mediator, Juan Feliz Eriz. According to the Basque daily DEIA, the mediator was detained and released yesterday.

The report was made public after an ETA political-military communique was picked up Sunday by the newspaper EGIN. The communique warns that "ETA's armed strategy would be to continue the campaign against the Orbegozo family." It thus confirms the telephone threats. The spokesman for the kidnappers told Eriz in a telephone conversation that the family should pay the 60 million pesetas it had gathered immediately.

Also, sources close to the Basque refugees in southern France confirmed to EL CORREO ESPANOL-EL PUEBLO VASCO that the Orbegozo case had been "decided" and the fact that he was not "executed" at the last minute was for "political image reasons." The same source added, "The decision to kidnap Orbegozo was made in order to obtain funds that would allow us to begin carrying out a political plan."

It seems that ETA in the end decided to consent to the family paying 125 million pesetas. The Basque industrialist was thus not killed and the Civil Guard was able to rescue him.

Colonel Francisco Aguado Sanchez, commander of the Pamplona Civil Guard, stated that Orbegozo had said he believed he was dying on one occasion and on at least two occasions the kidnappers believed he was dead because of the serious respiratory difficulties he suffered from.

The commander of unit 521 added to DIARIO DE NAVARRA that Orbegozo was not always kept in the house where he was found and freed. He said that at times he was placed in a small hole. This same hole was filled with water the other day. It was in this very small hole hidden by mosaic by the kidnappers that Saturnino Orbegozo was forced to go.

Colonel Aguado explains, "He could only stoop or lie down in there; there was no way for him to stand. He could barely breathe. He was taken to the house where the Civil Guard found him because of his delicate health and also because water had filtered into the hole during the last rain storm."

"Some say it was by coincidence that the Civil Guard was able to free Saturnino Orbegozo," he explains. "All I know is that coincidence favors those who are well prepared. Freeing the kidnapped industrialist, as well as other tasks performed by the Civil Guard, was the result of persistent, unrelenting and persevering work. We have been making a sweep of Navarre for days now. If Orbegozo was here, we had to find him and we did find him."

Businessmen Defenseless

Basque businessmen believe that in the coming months they will again be ETA's objective. "We feel frustrated and defenseless," said an industrialist in statements to the magazine EUSKADI, "much more so since we know that soon four or five kidnappings could occur at the hands of a terrorist organization."

They are certain that a revolutionary tax will be imposed on them by the terrorists "because there are businessmen receiving letters right now from three different sources; ETA military, ETA political-military and independent groups. The worst of it all, they add, "is that we are facing an increasingly difficult economic situation."

To pay the revolutionary tax, the businessmen, whom the magazine does not quote directly, explain that they are given easy payment plans. For example, under the plan a one million peseta tax can be paid in monthly installments of 200,000 pesetas.

The Mediator Eriz is Freed

Businessman Juan Feliz Eriz, who served as mediator in the Orbegozo kidnapping, was freed yesterday afternoon in Pamplona after he was brought before the court. He had been detained on the night of 31 December at his home in Bilbao.

Rafael Vera, Director of State Security, explained yesterday that the police detained Mr Eriz to obtain information from him because he had had contact with the kidnappers. He was released by the Pamplona judge.

It was explained during the press conference that, according to Mr Eriz' statements, he had served as mediator in four other kidnappings. They are the following: the Arrasate kidnapping carried out by ETA p-m, for which 30

million in ransom was paid; the Garavillas kidnapping carried out by ETA p-m, for which 30 million in ransom was paid; the Liperheide kidnapping carried out by ETA military, for which 50 million pesetas were paid in ransom; and the Allende kidnapping carried out by ETA p-m, for which 12 million in ransom was paid.

Juan Feliz Eriiz contacted the ETA leader "Pentur" in the Arrasate kidnapping. In the Garavillas case he contacted the leader "Txomin" and in the other cases he says he does not know who his contacts were.

The Basque industrialist has said to the police that all he received for his mediating role in each case was a box of cigars and nothing else.

On the other hand, Gregorio Manso and Ignacio Odriozola, the two youths who were detained when Saturnino Orbegozo was freed, remain incommunicado at Civil Guard headquarters in Pamplona. Both will be brought before the court next Saturday because they were given an extension.

According to other sources, state security forces have apparently detained a third member of ETA political-military who is supposedly implicated in the kidnapping. The person in question is reportedly a blonde young lady who continuously drove back and forth in different cars to the cottage where Orbegozo was imprisoned. She could be the leader of the organization who is nicknamed "the tigress."

9935
CSO: 3548/84

FATSA DEV-YOL TRIAL UNDERWAY IN AMASYA

Istanbul MILLIYET in Turkish 13 Jan 83 p 7

[Article by Sureyya Oral "Fatsa Dev-Yol Trial Has Begun"]

[Text] The Erzincan Martial Law Command Martial Court No.2 yesterday effectively opened the Fatsa Dev-Yol trial of 759 defendants at which a record number of death penalties is being requested.

At the hearing held in the Amasya 15th Infantry Brigade's former school for reading and writing, the death penalty was asked for 263 out of 759 defendants, including former Fatsa Mayor Fikri Sonmez, known as the "tailor", in accordance with article 146/1. of the TCK [Turkish Penal Code], and for another 5 defendants in accordance with articles 448. and 450.4: 268 individuals in all. 22 of the defendants for whom the death penalty has been asked are being tried without detention. Penalties ranging from one to 15 years in jail have been requested for the remaining 491 defendants.

The Hearing

Yesterday buses brought the defendants to court, from jail, under tight security measures. The trial panel at the hearing which started at 10.15 a.m. consisted of Colonel Yurdacan Tunali, President; Civil Magistrate Hakan Karakilic, Trial Judge; and members, Civil Magistrate Sener Saruc, Judge Abdulkadir Davarciglu and Judge Captain Caner Seben. Judge Major Arif Cengiz and Assistant-Attorney General Seref Yilmazer acted for the Prosecution.

The President allowed press photographers 5 minutes before beginning the hearing to take pictures, then the roll-call began. The roll-call ended at 12.30 p.m. The verification of the defendants' identities followed the roll-call...

After the roll-call Hasan Inal, Ismail Demir and Yuksel Can handed a petition to the Court stating they "asked for the right to intervene at the trial as participants". The military Attorney-General pointed out then that "That these individuals had also been harmed by the offense" and recommended their intervention be accepted and the Court granted the request.

Incident Arises

The first defendant on the prosecution's list for identity verification, Yusuf Atasoy, was called to state his identity. Atasoy came to the stand and said: "We have some problems. I want to talk about them before the identity verification. If you will not listen to them I will not state my identity."

Following these words from Atasoy the trial judge made a statement "We will listen to your problems as a matter of course. We will rule on those that are related to us. We will also do whatever is necessary for those that are not related to us." The defendant, Yusuf Atasoy, replied then; "So far we have petitioned on a variety of subjects and all paths were blocked" and upon these words the President ordered him out of Court. After Atasoy was thrown out of Court some of the jailed defendants yelled "We will also get out." When the President said: "Let those who want to get out stand on the benches on which they are sitting" the majority of the jailed defendants climbed on the benches. Faced with this situation President Colonel Yurdacan Tunali said that the defendants could go out after giving their names in the order of the indictment. The jailed defendants answered that since they "shared their problems" they refused to identify themselves and filed out. It was ruled that the names of those who had not identified themselves be put on record from the indictment list.

The defendants tried without detention identified themselves until 14.00 hours. As for the jailed defendants, only three stated their identity. The identities of the other defendants were recorded from the indictment list and thus the identity of 100 defendants was established.

The hearing was then adjourned to this morning to continue with the identity verification.

12278

CSO: 3554/119

FIRST SOLAR POWER PLANT TO BE HOOKED INTO EDF NETWORK

Paris LES ECHOS in French 28 Dec 82 p 5

[Article: "Kilowatt-Hours at the Price of Super [Gasoline]: Planned Connection of the Themis Solar Power Plant"]

[Text] After a delay of over a year, Themis, the first solar thermal power plant installed in France, will be connected to the EDF [French Electricity Company] network in the next few days. Even before the first revolutions of its turbines, Themis has caused tremendous technical, economic and political controversy. It is true that the kilowatt-hour produced will cost Fr 5, the price of a liter of super gasoline.

Fr 230 million have been spent for the construction of this 2.5 MW power plant: 60 percent by the French Electricity Company, 24 percent by the AFME [French Agency for Energy Planning] and the rest by local jurisdictions.

In order to maintain a technological advance obtained at Odeillo. In order to "refute" "all nuclear [power]." In order to sustain what was to become the Great Southwest.

More than 6 years after the first reflections on the subject, the balance sheet already seems to be fairly unfavorable. EFME officials, who intervened only at the end of the cycle, do not hesitate to emphasize that Themis is in no way a preindustrial pilot, but only a research tool--an expensive and complex toy that is several months behind Solar One, a power plant four times more powerful, operating near Los Angeles. As for the technical side, it seems to be too difficult to be easily exported to developing nations, the only ones apt to have recourse to this type of electricity production. Even the Targassonne site in the Pyrenees-Orientales, justified by a "solar past", turned out to be a disaster in practice.

Nevertheless, the experiment and the research possibility will remain. And a lot of money that scientists and industrialists in the field of photo-voltaics (another branch of solar energy whose use is completely decentralized) would have liked to have had.

[Boxed paragraph] Themis is composed of 201 mirrors, heliostats, with a total surface of 17,500 m². The sun's rays are reflected towards a boiler placed at the top of a 101 meter tower. A mixture of melting salts heated to 450°C supplies a turbine via a steam generator.

BRIEFS

GASOLINE, GAS PRICES INCREASE--Yesterday afternoon, the minister of industry and energy, Baiao Horta, put an end to the suspense surrounding the expected increase in fuel prices when he interrupted a meeting of the council of ministers to make the new price "package" of those goods known. They became much more expensive after zero hours yesterday. Super gasoline went from 62.50 escudos to 74 escudos per liter, while regular gasoline "soared" to 70 escudos per liter. Diesel will now be 35 escudos per liter, while fuel oil will cost 17.50 escudos per liter. Electricity also increased by 27 percent as a result of these increases. Baiao Horta said when he made the announcement that 22 percent of this increase is due to the cost of electricity, while 5 percent is attributable to the increase in fuel oil. Natural gas will now cost 12.50 escudos per cubic meter, while propane and butane gas will cost 39 escudos per liter. The reason given by Baiao Horta for the increases was that the value of the dollar was relatively higher than the decrease in the price of a barrel of oil. After having already confirmed that public transportation will increase its fares by 14 to 30 percent beginning Saturday, it was thus time to confirm fuel price increases. This outlook for the Portuguese during the recently started new year thus becomes more painful. [Text] [Porto O PRIMEIRO DE JANEIRO in Portuguese
4 Jan 83 p 7] 9935

CSO: 3542/8

CALLS FOR ENERGY CONSERVATION IN LIGHT OF HIGH PRICES

Istanbul DUNYA in Turkish 11 Jan 83 p 8

[Text] Director General of Kent-Koop Murat Karayalcin Says: "No New Housing Permits Should Be Issued in Ankara."

ANKARA (ANKA) - The Prime Ministry Coordination Committee for the Conservation of Energy and the Kent-Koop jointly organized an advisory meeting on the subject of "Energy conservation in Housing" which was held yesterday in Ankara on the occasion of energy week.

President Nimet Ozdas who gave a talk during the meeting, said that from the 1973 oil crisis to the present day the era of cheap energy had come to an end. As for Director General of Kent-Koop Murat Karayalcin, he stated that no new Housing permits should be issued in Ankara in order to conserve energy and prevent air pollution.

Ozdas Talk

President Ozdas pointed out that the time had come to take extensive advantage of the work and research on energy conservation and remarked that "energy is a fundamental indicator of a country's level of development" and that, in 1982, Turkey had imported oil at a cost of \$3.5 billion which amounted to 40 percent of its total imports.

President Ozdas said Turkey should not waste any time in turning to energy conservation and alternative energy sources and depend less on oil.

Ozdas also pointed out that in Turkey 35 percent of the energy was consumed by housing and that future measures would save at least 50 percent of it.

Murat Karayalcin

President General of Kent-Koop Murat Karayalcin, who delivered the opening speech at the meeting, said that he had implemented high technology projects to secure cheaper energy at Batikent. Karayalcin said that, within this framework, the plant projects had raised productivity from 60 to 75 percent and saved energy by 20 percent. Karayalcin said that as a result of the work done in Batikent, furthermore, the annual coal needs of 860,000 tons had been reduced to 348,4000 tons which, in terms of 1983 prices, amounted to a saving of 3.7 billion Turkish liras.

In the talk he gave on this occasion Chairman of the Coordination Committee for the Conservation of Energy Ali Galip Mutdogan said that after the oil crisis began, energy conservation was included to the agenda of every country and that many advantages were derived from that angle. Mutdogan also added that by conserving energy it would possible to lower the level of air pollution.

12278

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POOR SHOWING FOR ENERGY SECTOR INVESTMENTS

Istanbul DUNYA in Turkish 11 Jan 83 p 8

[Text] While Completion Rate for Orhaneli and Keles Thermal Power Stations Remains below 5 Percent That of Nuclear Plant Targeted for 1991 Falls to 5 Thousandths.

ANKARA (ANKA) - The energy sector's 19 investment projects, 14 of which are being carried out by the Turkish Electric Power Enterprise and 5 by the State Hydraulic Affairs, showed a 19 percent completion rate at the end of June 1982.

294.3 Billion Turkish Liras Spent During First Half of 1982

According to the report prepared by the State Planning Organization on "Major Projects" 249.3 billion Turkish Liras were spent during the first half of 1982 on energy investments costing 1.33 trillion Turkish liras. Although foreign financing for the above projects was fixed at 4 billion Turkish liras, 135.5 billion Turkish liras were secured from foreign sources. Thus, while 28 percent of the set amount from foreign sources was spent on the 19 energy projects, the share of foreign financing in total expenditures reached 54.5 percent.

It has also been established that out of the 101.8 billion Turkish liras set aside in 1982 for energy projects 35.8 billion Turkish liras that is 35 percent of this amount were spent during the first half of the year. Among TEK [Turkish Electric Power Enterprise] projects targeted for 1982, the first and 11th units of the Mugla-Yatagan Thermal Power Station and the first and 11th units of the Soma Thermal Power Station have been completed. Also, the Aliaga Combined Conversion Gas Plant programmed for completion in 1982 will become operative in May of this year.

Icel Nuclear Power Plant A Major Project

As for the Icel Nuclear Power Plant, a prime TEK project from the standpoint of a 150 billion Turkish lira investment, it has become now the investment on which the least expenditure was made with 741 million Turkish liras.

Together with this investment which was planned in order to produce 4 billion kilowatts per hour annually but on which only 5 thousandths of the planned expenditure were made, expenditures on the Orhaneli and Keles Power Stations, targeted for 1984, remained in the order of 5 percent for the former and one percent for the latter.

With regard to projects being carried out by the DIE [expansion unknown] while a 50 percent rate of completion was attained for the Oymapinar Hydroelectric Power Station, in the case of the Kilickaya Camligoze Hydroelectric Power Station an expenditure on the scale of 7 percent of the value of the investment is foreseen as possible.

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CARS, CONSUMER GOODS SEEN AS CAUSES OF FRENCH-GERMAN DEFICIT

Paris LE NOUVEL ECONOMISTE in French 10 Jan 82 pp 46-48

[Article by Martine Royo: "France-Germany: Autopsy of a Deficit"]

[Text] Failure in the automobile sector, a semi-failure in other consumer goods. Agriculture, our last bastion of trade with Germany, is threatened by the system of compensatory amounts.

If there were a warning light for French-German trade on the display panel of the French economy, it would have overheated and blown long ago! Over one-third of the trade deficit for 1982 (almost 95 billion francs) comes from our trade with West Germany. With about 38 billion francs this will be our largest bilateral deficit, even preceding the deficit with Saudi Arabia (35 billion), our number one oil supplier.

Who is to blame? The Germans, the French, the crisis, fate?

Michel Jobert likes to say that this staggering trade deficit well shows that France is the most open country of the European Community, unlike some others, Germany to be precise. "Like the Japanese," said the minister of foreign trade, "the Germans knew how to organize their economic life so as to acquire a free trade image, but during the crisis their practices are a serious hindrance to trade." The guilt lies with the technical standards, over 30,000 in all in Germany, which were not necessarily decreed with protectionism in mind but which paralyze small and medium-sized French firms as they approach the German market. "The French are the only ones who complain about our system," countered Helmut Reihlen, director of the German Institute for Standardization, who did, however, acknowledge that differences in standards can create "certain difficulties." Officials at Quai Branly readily cite the case of the French construction material firm that had to wait 6 years and spend Fr 2 million to obtain authorization for a product in Germany. "Behind the stamp of safety the Germans are protecting themselves well," commented a European official. "And they are the quickest to notify Brussels of this or that shortcoming of a member country." Economic differences on both sides of the Rhine also share in the responsibility. With a few rare exceptions, such as Peugeot, prices of French products did not decline in Germany during the last two monetary readjustments. Once again, restructuring margins was preferred. Since the French are selling products in Germany that are subject to tough competition, the German consumer frequently passes them by for an article "made in Germany" or imported from somewhere else.

On the other hand, German exporters have rushed to our market, the only one in Europe that is expanding. For example, Volkswagen has "ravaged" France since 1981 with its Golf. As for BMW, its sales increased by 40 percent during the first 10 months of 1982. All of this has made the cover rate for French-German automobile trade fall to 50 percent today, compared to 123 percent in 1979 and 175 percent in 1970. In addition, France is a captive market for a number of German products, such as professional durable goods or parachemistry, which have no equivalent in our national production. German suppliers have taken advantage of this to raise their prices.

In all, there was more than a 26 percent jump in German sales in France between January and September 1982, while French sales in Germany advanced slowly, by 11 percent. "All sectors are declining," an expert at DREE [Office for Foreign Economic Relations] noted dryly.

Of the three pillars of French exports to Germany--consumer goods, automobiles and food products--the first two have declined as a result of the recession and competition. Only food products have held steady: over 9 months from 1981 to 1982 the surplus went from Fr 5.6 to 6.8 billion, primarily because of our sales of raw materials (food products stayed about stable). Similarly, in chemistry French industry trades raw materials for processed products.

Professional durable goods alone account for almost half of the deficit. No category has been spared--machine-tools, agricultural equipment, precision goods, electrical goods, utility vehicles, etc. It is a general slump. Even high technology industries are in the red (professional electronics). The German success with traditional machinery has enabled them to finance the development of high technology techniques and to meet, or even surpass, the successes of the French. The "fathers" of Europe had hoped that French exports of consumer goods, along with food products, would help close the deficit in durable goods. This calculation was spoiled by the crisis, the dynamism of German firms on the French market (automobiles, household appliances, furniture, etc.) and lastly by the carelessness of some French firms, indifferent to the complaints of their German clients: inappropriate products, vague prices, delivery schedules not honored and nonexistent after-sales service.

On the lethargic German automobile market, subject to an orderly offensive from Japanese manufacturers, French manufacturers (except Citroen) have been unable to maintain both the number of cars sold and their share of the market. In the small models, traditionally French industry's strong point, the German consumer preferred Fiat's and Volkswagen's new models in the end.

It is a matter of quality; French cars (particularly Renault) have long had a reputation in Germany of rusting quickly and having inadequate interior features, which means a loss during resale. Too many items offered as options on French cars are standard in German or Japanese cars. When the clients are faithful, like Citroen's, that is not important. The CX, considered extravagant by the Germans, has always had its fans in the liberal professions. But Peugeot, Renault and Talbot have suffered from inadequate options.

French clothing, another traditional strong point, is no longer selling as well in Germany. The surplus of the clothing category dropped by 48 percent between

1975 and 1981. French clothing today has the image of an expensive product. The style, deemed too classical or too extravagant, is hardly suited to German tastes. And our manufacturers do not try hard to please: sizes are often inadequate, colors are too far removed from the color cards of German design institutes, catalogues are vague. The example is readily given in Cologne of a French firm that was incapable of shipping its collection to the designated site, and at the same time forgot to include its prices! The collection was returned without even having been tried. In the past year or two many German buyers have stopped visiting the Parisian ready-to-wear shows. One of the four large German department store chains which closed its Paris purchasing office in 1978 is getting ready to open a second office in Italy.

Failure in the automobile sector, a semi-failure with other consumer goods. Will agriculture be the last bastion of our trade with Germany? A poorly protected bastion, however, where France is liable to see its surplus eaten away, especially for processed food products (frozen foods, canned goods, milk products).

Who is to blame?--Europe, dizzy from the compensatory monetary amounts (MCM) which favor farmers in countries with strong currencies, i.e., German farmers. We get ten times more butter from Germany than we send!

Paris is trying to convince Bonn to dismantle these compensatory amounts by lowering its agricultural prices. But Josef Ertl, German minister of agriculture, opposes this for reasons of domestic policy.

Does this mean that France is doomed to seeing its trade deficit with Germany grow indefinitely? The French government rejects all fatalism. The decline in French economic activity should cause a decrease in imports in 1983. The automobile industry hopes to improve its performance with its new models, such as the BX (Citroen) and the Samba (Talbot). But what about the others? It must be admitted that very few French firms are taking advantage of the wave of bankruptcies in Germany to buy a factory, a brand or a distribution network, or even to take an interest in a German firm. There are a few isolated cases; last year the French firm SAFT [Stationary Accumulators and Traction Firm] (batteries) bought part of the stock in the German firm Horizont (electrical fences). French bankers, well established in Germany, are precise: "This would enable us to overcome the problem of standards and approvals and at the same time open sales networks in other markets, particularly in the Scandinavian countries," stated Gunther Borman at Sogenal.

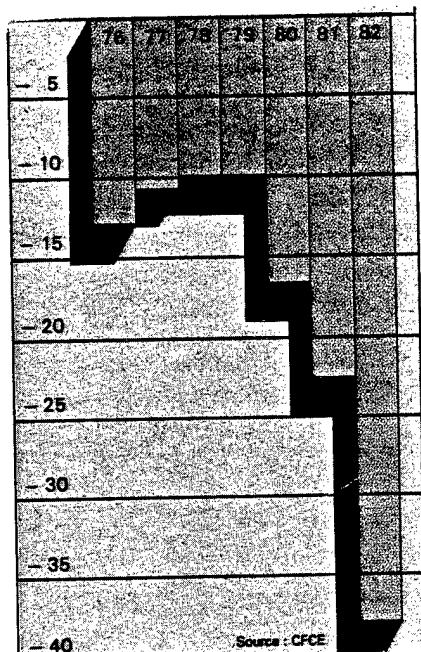
Unfortunately, French investments in Germany are half of German investments in France. According to Manfred Strauch, lawyer, who manages a consulting firm for small and medium-sized firms in Cologne, the current trend is rather alarming. Faced with the recession in the German domestic market, our firms are choosing to withdraw. "French firms that have already tried to establish themselves prefer to give up and liquidate their subsidiaries, their distribution networks or their positions at trade fairs" instead of choosing a cheap solution of waiting and, for example, being domiciled with a service firm having one secretary for three firms. Too many businessmen prefer to wait for the help of the Ministry of the Interior and the reinforcement of the famous sectorial plans (textile, clothing, leather, furniture, toys, etc.) which call for assistance in investing, research, training and exports.

Waiting instead of adapting--our lack of aggressiveness in exporting, outside of the club of 50 firms on which French exports rest, is definitely the major key to our trade difficulties, particularly on European markets. This is why the government is counting heavily on marketing assistance, with help for market exploration and promotion. But firms must also have the resources and the desire to export. And their products must be suitable for the German market.

AUTOMOBILES: THE DECLINE OF THE FRENCH

<u>Brand</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1st half 1982</u>
BMW	5.9	5.7	5.7	5.9
Daimler-Benz	9.3	10.5	10.6	10.1
Ford	11.9	10.4	11.7	10.9
Opel	18	16.8	16.3	18.8
Volkswagen-Audi-NSU	31.5	30.3	30.4	30.1
Renault	4.9	4.7	4.3	4.2
Citroen	1.9	1.9	1.9	1.9
Peugeot	1.6	1.4	1.2	1.1
Talbot	1.7	1.5	1.2	1.4
All French Manufacturers	10.1	9.5	8.6	8.6

Market shares (in percentages) of the major manufacturers in the FRG (registrations of new vehicles).



A Deficit That Has Quadrupled in 4 Years

Deficit balance (for France) of French-German trade, in billions of francs.

Source: French Foreign Trade Company

1983 BUDGET DEBATE CONTINUES, CERTAIN MINISTRIES FUNDED

Nicosia OLAY in Turkish 27 Dec 82 pp 9-11

[Article: "Assembly Debate on 1983 Budget"]

[Text] The debate begun less than two weeks ago was continued last week also.

At the Monday session, President General of the KTP [Communal Liberation Party] Alpay Durduran continued the criticisms he had initiated on Friday. Durduran who criticized the foreign policy of the KTFD [Turkish Cypriot Federated State] spoke as follows:

"The KTFD has been converted into an establishment forcibly kept on its feet by external props, rotten at their base." Durduran maintained that the capitulation on economic questions was as total as on foreign policy. Durduran, who claimed that the KTFD's foreign policy is one of reaction only and that publicity is not sufficient, asked that activities concerning publicity be based on facts. Durduran, who noted that it was difficult to sway worldwide public opinion by following a policy of insistently asking for a dual-zone, dual-population Federated Republic of Cyprus, criticized the views thrown out from time to time on the subject of an independent state and said "The proclamation of an independent state is not a position favoring the Turkish Cypriot population. We cannot use the proclamation of an autonomous state in our foreign policy as a means of making an impact. This claim is not valid from the viewpoint of Turkey either. Turkey's Cyprus policy rests on the Federation cornerstone". Durduran recommended following a realistic economic policy and making the KTFD economy autonomous.

Ozker Ozgun, who criticized the Budget in the name of the CTP [Turkish Cypriot Republican Party] also criticized the evolution of the coalition government. He claimed that the government had been imposed on the population against the people's will. Ozker Ozgun, who maintained that no solution to the people's problems can be offered by the budget that has been prepared, noted that a self reliant Turkish population must be created in Cyprus. Ozgur, who stressed the fact that 63 percent of the KTFD budget was covered by foreign debts, said that the 1983 budget would not be a sound vehicle for the second Five Year Development Plan. Ozgur pointed out that the KTFD economy regressed a little more every year and that in the implementation of the first Five Year Development Plan it had worked counter to its aims, that the rate of development fell short of the plan's targets. To sum up, in his speech Ozgur expressed the

following views:

"In the last five years while the prominence of the production sector decreased that of the consumption and service sectors increased. The KTFD made no provision for investment sources. The realization of planned investments was tied to foreign capital. The UBP [National Unity Party] governments elaborated and implemented a wage rate policy that was unfavorable to wage earners. There is both covert and overt unemployment in the KTFD. This budget does not have the scope to bring a solution to the unemployment problem. Deficits in the balance of payments follow one another. In that sector too the plan's targets have not been achieved. Imports have grown faster than exports. In the tourism sector as well things went wrong. Tourism spent more than it took in. Whereas the plan did not foresee dependence on outsiders, the government increased this dependence by 800 percent. Depending on outsiders also means the transfer of resources to outsiders."

President General of the CTP Ozker Ozgur continued to expound his views on the Budget into the afternoon, when he completed his criticisms on the 1983 Financial Year Budget as a whole. Ozgur explained as follows the reasons for which his party would vote against the budget:

"A government program is not a budget. Insofar as it turns over to the business bourgeoisie, through current expenses, investments that call for a transfer of resources, this is an inadequate budget. The 1983 Financial Year Budget cannot bring a solution to problems such as drinking water for the people, irrigation, housing, agriculture, stock-breeding, combatants' compensations, sanitary conditions in schools, raising the standard of living of pensioners, freeing the KIT [Public Economic Enterprises] from an impasse, the Social Security Fund, reevaluation of the Retirement Fund in favor of retirees.

The 1983 Budget of a UBP dominated government is a budget that unbalances further the distribution of wealth, weakens social justice and aggravates the economic crisis in which we find ourselves. A concrete program, oriented toward progress and social stability, which can regulate the cost of living, bring solutions to problems, ensure social justice, raise the standard of living of retirees, check exploitation, is missing from the budgets."

During the review of the Bill for the 1983 Financial Year Budget by deputies of the opposition, Minister of Economy and Finance Salih Cosar denied criticisms of the budget and government activities in general. Cosar said that the whole world was going through an economic crisis, that the KTFD could not be an exception under the circumstances and that, on the other hand, to paint a gloomy picture would be an injustice. Cosar, who admitted that to paint a glowing pink picture about the KTFD economy would not be compatible with the facts, in sum, spoke as follows:

"The KTFD is suffering some difficulties. However, in our opinion, at this point it is not right to paint a gloomy picture. Measures suitable to our population are being taken for economic stability. If our 1,000 square meter, young federated state which has not attained a political solution is criticized also for accepting outside help in order to complete some infrastructures it is up

to us to refute such views. Our Young Federated State will complete its infrastructures with the contributions of the Mother Country. Our Mother Country will finance the projects that have been prepared."

Economy and Finance Minister Cosar said that some of the publicized economic indicators had been altered according to individual interpretations and that such criticisms were unfair.

What Is To Be Found in the Budget?

Within the framework of the budget 4 more delegations will be established abroad.

A new airport, which will cost 7 million Turkish liras, will be built between Gecitkale and Sutluce.

350 million Turkish liras will be set aside for building the Gime port in the Karakiz district.

A dairy products factory for the Karpaz Dairy Production and Marketing Cooperative will be built in Maltepe for the exploitation of the Karpaz region dairy products at a cost of 50 million Turkish liras.

40 million Turkish liras will be set aside for the initial building of a winery, in Mehmetcik for the Grape, Wine and Alcohol Production and Marketing Cooperative.

A grape-packing house will be established at a cost of 11 million Turkish liras.

An undersea electric cable will be laid between the KTFD and the TC [Turkish Republic] at a cost of 150 million Turkish liras.

Presidency, Assembly, Prime Ministry Budgets Approved

In the Tuesday session of the Federated Assembly the budgets of the Presidency, the Assembly and the Prime Ministry were approved with a majority of votes.

After a general debate, the aforementioned budgets were reviewed and fixed as follows: the Presidency, 48 million 760, 335 Turkish liras; the Turkish Cypriot Federated Assembly Bureau, 49 million 306, 500 Turkish liras; the Prime Ministry and branches attached to it, 173 million 718,216 Turkish liras.

Debate on Foreign Affairs, Defense Ministry Budget Begins

During the Tuesday afternoon session of the Federated Assembly a general debate on the Foreign Affairs and Defense Ministry budget was initiated. In the general debate the first speaker to take the floor, President General of the TKP Alpay Dirduran said that the Greek-Hellenic duo continued to undermine our legitimate claims on the subject of Cyprus, with the material and moral support of the ouside world.

An effective reshuffling of our foreign affairs organization would make it possible to eradicate all traces of the intensive negative propaganda carried out abroad against us. Durduran asked that our delegations abroad be staffed with elements capable of carrying out their duties along the lines of national interests rather than self-interest.

On the subject of losses, Durduran stressed the fact that the Turkish Cypriot side was 100 percent right and that the outside world also increasingly began to accept our thesis. Durduran said that special attention must be paid by the KTFD to the study of method, without heeding the difficulties created by the Greeks. Durduran added that dismissing Greek obstacles on this subject and following a course of sound research would create the possibility of doing away with the suspicions, unjustified from the KTFD people's viewpoint that had arisen, as well as giving the lie more unequivocally to the intensive Greek propaganda.

Alpay Durduran said that the foreign policies of Islamic nations should be closely followed and also that in the foreign policies of such nations no Islamic mutual support was apparent because individual interest played an important part in the shaping of such policies.

During the debate in the Federated Assembly which was started on Wednesday at 10.00 A.M. and went on, the Foreign Affairs and Defense Ministry budget was approved. In the Wednesday morning Plenary Session of the Federated Assembly for reviewing the bill on the 1983 Financial Year Budget, the Foreign Affairs and Defense Ministry budget of 313 million 711,000 Turkish liras was passed by 21 votes for and 16 votes against.

At the meeting chaired by the Assembly President Nejat Konuk, which started at 10.30 in the morning, President General of the CTP Ozker Ozgun who took the floor, while commenting that the Denktas-Makarios, Denktas-Kyprianou summit agreements called for the adherence of the KTFD to the Autonomy movement which is gaining more and more ground in the world today, maintained that from 1976 to the present KTFD governments that came to power neither assimilated nor espoused this movement and because of this did not engage in the efforts to be part of this movement.

Ozgur stated that if his party does not reach an agreement with the Turkish Republic government he does not believe that a solution to the Cyprus question can be reached either and he also said that creating foreign policy ties with imperialistic countries of the West and emerging reactionary Arab regimes could lead to adverse consequences and that this also went counter to Ataturk's tenets.

Ozker Ozgun, who advanced the view that it was necessary to stand united before outside nations along the lines of similar aims and that it was not possible to change a new policy every day like changing a shirt, said that from the standpoint of KTFD prestige the Foreign Affairs system which is the most influential organ in the implementation of established policies must be staffed with competent personnel.

Ozgur stated that as long as the atmosphere of distrust between the populations persisted it was necessary to put emphasis on Defense measures but asked that Security organizations be put under the supervision of civil authorities.

Ministry of Interior, Housing Budget Accepted

In the Wednesday afternoon session of the Federated Assembly the Ministry of Interior and housing budget was reviewed and approved by a majority of votes. The Ministry budget was fixed at 878 million 493,822 Turkish liras.

Among opposition deputies who took the floor during the debate on the Ministry of Interior and Housing Budget, Ismail Bozkurt, Fadil Cagda and Gozel Halim criticized what had been done. The speakers moved that the Security system be raised to legal status and its problems solved. Among other things, it was moved that local organizations be helped. The Ministry's Equivalent Goods Law was criticized. It was asked that public transportation in the KTFD be in the hands of the state.

Minister of Interior and Housing Esber Serakinci who denied the criticisms said that the Equivalent Goods Law had restored rights which had been usurped. Serakinci, who mentioned that efforts would be made to help the realization of local organization investments, announced that administrative measures would be taken which would turn sub-prefects into influential persons and that, with a view to solving village problems, a loan to the amount of 50 million Turkish liras had been set aside.

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LARGE FIRMS PLAN INVESTMENT PROJECTS IN WEST BERLIN

Bonn RHEINISCHER MERKUR/CHRIST UND WELT in German 17 Dec 82 p 4

[Article by Juergen Engert: "The Light Is Green"]

[Text] If Berlin were actually functioning as a capital, these problems would not exist. Whoever invests in Berlin, must be persuaded beforehand.

Chancellor holds Berlin conferences with German Business: In June 1975, in May 1979 and now in December 1982. Is three a lucky number? Well, the first two were not very good, in other words, they were not a resounding success. And as far as the new undertaking is concerned, the balance will be drawn 1 year from now when the "success evaluation" is to take place, as announced by Helmut Kohl. These meetings--their necessity on one hand, their past lack of effectiveness on the other hand--are nothing but a grotesque. And what makes the matter even worse is the fact that there is almost nobody who realizes the unnaturalness and the distortion. Some day in the future, when the identity, the "ego" of these West Germans will be the subject of research, one will also come across these conferences, proof of the lack of identity with a city which condenses German history into a symbol: Politics must try to organize something that ought to be a matter of course. At the German parliament building [pre-1945], the location of the meeting, board members from the upper floors are arriving in expensive cars, and most of those who are getting out have never before entered the building. And they do not hide the fact that it is so. Over the doorway are golden letters which read: "To the German People." One of them says: "It is interesting. And it is right next to the wall. Unbelievable!" Berlin reduced to an exotic item. Who recognizes the representation, who is affected?

Berlin: The capital. Also and above all in a figurative sense of the word. Accepting this implication, however, also includes an appropriate consciousness, particularly in a country which on the basis of its development has always had an aversion to centralism. Konrad Adenauer, the traditional Rhinelander, the anti-Prussian, made the following remark during the 1920's: When he traveled to Berlin--as far as he was concerned--the Asian prairie began at Braunschweig, in Magdeburg he always closed the curtains, and every time he crossed the Elbe he spat out of the window.

Berlin's career as a metropolis was too short to be the focal point for the Germans around which everything revolves. Between 1971 and 1945: A moment in comparison to the existence of Paris and London. But these explanations cannot provide an acquittal from the liabilities for events and its consequences which will have to be defended for generations to come. Neither the Berliners nor the Germans in the GDR are the only ones who lost the war.

More than 50 percent in subsidies for the budget of the Western part of the city: That much money carries weight. But alimentation is not a substitute for the deliberate testimony: I am a Berliner too.

Whenever there are complaints about the lack of historical consciousness among young people, the neglect of the older generation can be demonstrated using Berlin as an example. Such an economic conference evokes reminiscences. Not only political and government actions, like Bonn's delaying tactics in 1952 when it came to the inclusion of West Berlin in the financial system of the FRG, demonstrated a peculiar distance toward the city. There were also many examples of obligations being rejected due to fear and complacency.

In June 1961, for instance, the Public, Transportation and Communications union decided unanimously to move the executive committee from Stuttgart to Berlin. After the wall had been erected, the decision was affirmed but it was not implemented. In the fall of 1963, Kummernuss, the then chairman of the Public Service, Transportation and Communications union, declared: "The reason is not that we lack the good will to do so. Today's political conditions are forcing us to wait with this move. Who can tell us now what things will be like in Berlin 2 years from today? Whether there may not be some kind of circumstances which will force us to move again from Berlin, whether we will even be able to use the interzone road to get to Berlin and to get out again...." Berlin is still waiting for the Public Service, Transportation and Communications union.

Not only the crises and pressures of the past but also the rejection of a solidarity, which cannot be measured in marks and pennies, affected the nerves of the population. Considering the pressures from East and West, the tenacity of the citizens which is responsible for the vitality of public affairs seems almost like a miracle. After all, the bad example of the union is by far not an isolated incident. Industry is also part of it.

Examples are the Federal enterprises of VEBA, Salzgitter AG, Vereinigte Industrie-Unternehmungen AG (VIAG) and also the original concerns of Siemens and AEG--they all call themselves "Berliners" but not one of them is represented at its main office by a single member of the board of directors. The top executives of companies settled in West Germany a long time ago. Whenever they are challenged in person, their sensitiveness is in direct contrast to their willingness to fulfill their obligations. To be sure, the presence in the city of one board of directors or a member of a board does not produce economic growth in Berlin. But we know from experience that business decisions were made to the disadvantage of Berlin, because at the present time there are no member of the inner circle living in Berlin who could put their vote in the balance.

In addition there is the state of information about the internal situation of the city. Some of it is frightening. Reports are frequently distorted and the media are twisting the information even more. Top managers who know Berlin's social environment because they live there could correct the situation. But those who preach to others that mobility is a prerequisite for creativity are suddenly immobile when they are asked to pack their knapsack and go to Berlin. As a defense negative lists are presented, in the process of which they like to change around cause and effect.

When top executives of large German banks make fun of the qualifications of the economists in the city, they should be asked about the criteria for selecting many of their own staff members for their Berlin branches. But it is one of the peculiarities of the situation of the city. One does not ask such questions: Please do not point the finger at anyone; it could be detrimental. Still, the German industry must realize that a consistent neglect also invites the risk of a political defeat on the Spree. Because even in the influential conservative circles of the city the option has been considered of establishing state-run enterprises.

Such an idea is the by-product of a process that leads to total depletion, which is not only the result of the current crisis but which began as early as 1961. Only now it has reached a dramatic climax. Between 1970 and 1982 the number of manufacturing jobs dropped from 265,000 to less than 183,000. Between 1970 and 1980 the number of industrial enterprises declined from 5,162 to 2,183. Even the economic conference of 122 managers from 60 leading enterprises was affected by these indicators.

Seventeen projects were agreed upon. Significant are the following ones: Beginning with 1983, the Volkswagen Works, Daimler-Benz and BMW--the first one has done little in the past, the other two are already heavily involved in the city--are planning to cooperate with Siemens and develop advanced production systems by establishing an innovation company for machine intelligence. The Federal Government and the Land of Berlin are participating in the project. If it succeeds, VW will move its entire robot manufacturing operations to Berlin on a medium-term basis, and it will also conduct its export business from there.

Joint ventures were also announced by the electric concerns of Siemens, Kabelmetall Philips, SEL and AEG; beginning with 1984 they will manufacture glass cables in Berlin. Of similar importance is the move from Bremen to Berlin of the Brinkmann Holding Co. and the announcement by the Federally-owned Salzgitter AG that a member of the board of directors would be sent to Berlin to head a future establishment in that city. A rumor surfaced that the chairman of Salzgitter's board of directors was very angry when he heard about it.

Richard von Weizsaecker, the acting mayor, Elmer Pieroth, senator for economics, and the chamber of industry and commerce had made excellent preparations for the conference. They did not only touch the souls, they also put their credibility on the line. The city is to prove that it is willing to use as a guideline the sociological credo of its government, "help for self-help," are to get better. Weizsaecker and his team have given the green light--now the road is clear and it must be used.

SPD PARLIAMENTARY GROUP PRESENTS CAPITAL FORMATION PLAN

Munich SUEDDEUTSCHE ZEITUNG in German 15 Dec 82 pp 1, 2

[Article by Bar]

[Text] Bonn, 14 December--The SPD parliamentary group presented a capital formation plan for employees as a part of negotiated settlements which is based on a fund enjoying favorable tax treatment. Following the Bundestag election, the SPD wants to introduce in parliament a proposal which is to be the basis for contract agreements between labor unions and employers with respect to capital.

According to statements by Philip Rosenthal, the capital politician of the SPD, and Gunter Huonker, tax expert of the SPD parliamentary group, the Socia-Democratic capital formation plan is to combine three political goals: Sizable worker participation in the productive capital of the economy, an increase in the capital stock to safeguard jobs and the inclusion of labor unions by introducing capital formation plans as a part of labor contract settlements instead of company agreements. The basic idea of the plan is the concentration of state subsidies on the formation of productive capital instead of favoring capital investments. The plan offers a wide variety of investment possibilities. Because of considerable tax advantages (exemption from corporate, excise and property taxes) the emphasis is on a fund for workers which can be established by labor unions and employers for the acceptance and administration of capital shares in enterprises of all legitimate forms.

The former coalition partners--the SPD and the FDP--were not able to agree on the establishment of such funds. The Union parliamentary group and the SPD are looking for solutions to make possible capital formation without the establishment of collective funds which will be acceptable to labor. To date they have not been able to come up with a model that satisfied the demands. Nevertheless, the Union and the FDP will not be willing to support the SPD plan in the Bundestag.

According to Rosenthal and Hounker, the SPD plan will not cause any strain on the budget for the foreseeable future. Reductions in tax revenues due to subsidies of labor contract agreements will be recouped through planned cuts in current subsidy programs in capital policies (worker participation in corporations according to the capital gains tax law and a special tax break for small businesses) which will equal the amount. According to Rosenthal and Hounker, the drain on the financial resources of the economy would not be evident until later years, by which time the contract settlements would take on much greater proportions.

It is difficult to estimate the volume, because the first command of the plan is that the contract settlement agreement is to be voluntary. There could be no reliable predictions concerning the extent to which labor unions and employers would take advantage of the legislator's offer. Both politicians emphasized, however, that they placed a high priority on capital formation from economic and distribution policy aspects.

The SPD parliamentary group demanded a new codetermination law which is more or less identical with labor union demands on which is to guarantee the proportional codetermination in all large enterprises and large concerns with at least 1,000 employees and assets of at least DM 75 million or annual sales of at least DM 150 million. According to statements made in Bonn by the parliamentary group there is to be only one "uniform worker representation" on boards of directors, which would abolish the special privileges for management personnel contained in the 1976 codetermination law. In addition, the SPD is advocating an expansion of the rights of plant worker committees, particularly with respect to work organization, the introduction of new work techniques, the application of work-related knowledge as well as the use of personnel information systems.

8991
CSO: 3620/168

ECONOMIC

GREECE

BRIEFS

EEC ALLOWS IMPORT CONTROLS--The Community's Committee has recognized Greece's right to impose controls on the import of foreign products. A Community representative has stated in Brussels that the relevant EEC permit to Greece for 22 products that are imported by Greece has been given because the Greek side has put forth convincing arguments connected with the difficulties of the Greek economy. [Text] [Athens Domestic Service in Greek 0500 GMT 20 Jan 83 NC]

CSO: 3521/161

LO WARNS GOVERNMENT ON TERMS FOR SPRING LABOR SETTLEMENT

Oslo ARBEIDERBLADET in Norwegian 21 Jan 83 p 7

[Article by Oivind Nielsen]

[Text] Yesterday, LO [Norwegian Federation of Trade Unions] threw down the gauntlet to the government prior to the spring wage settlements:

If the government is willing to use the necessary means in the fight against unemployment and price hikes, LO will go to the bargaining table with moderate wage demands--with unchanged purchasing power for lower and middle incomes.

The prerequisite for all this is that there be no tampering with sick pay provisions.

Signals that the government was working to reintroduce a waiting period in the sick pay provisions ran into massive resistance on the part of LO committee members. The importance LO attached to this can be seen in the fact that committee members approved a separate statement that any attempt to undermine the sick pay provisions would be rejected.

Political Strike?

At a press conference just before the committee meeting, LO chairman Tor Halvorsen did not dismiss the possibility that this could result in a political strike unless the government drops the matter.

In his introductory speech to the committee meeting, he stressed that the spring settlement is a so-called intermediate settlement and that LO has no occasion to bring up new demands on such things as work hours and other social provisions in the agreement. Therefore LO must also be able to assume that no counter demands will be made that violate the assumptions and intentions of the current agreement. This can be interpreted as a warning to the government to take the legal route with this issue, now that it has become a kind of "third party" in the settlement.

Tor Halvorsen also stressed that the sick pay provisions are calculated into the wage settlements and have been ever since their introduction in 1978, and that wage earners have paid for this in the form of lower nominal wage increments.

He said that a waiting period would open the way for new social inequities, even though the government has said that the new provision would apply to everyone. Among those who would be hit the hardest are the groups with the poorest job environments. We know that the absence of some groups is easier to check on than it is for others, who will continue to suffer no loss of pay for an absence of 1 or 2 days.

Main Guidelines

The committee resolution that will form the basis in negotiating with NAF [Norwegian Federation of Employers] when talks begin in March contained the following main elements:

The government must be willing to change its economic plans so that more is done to safeguard employment on the basis of the current unemployment figures.

The government must stand behind a reasonable price forecast. The LO chairman hinted to the press that the government's goal should be to bring price hikes down below 10 percent.

The public sector--national and municipal--must be strengthened both with regard to employment within that sector and in order to produce a ripple effect on the private sector.

Purchasing power must be maintained for lower and middle incomes.

The government must take steps to see that the line of moderation in the settlement affects all groups.

After the outline is discussed with the government and NAF in the "little contact committee" in the near future, LO will use February to firm up wage demands. It is anticipated that real talks with NAF will start in the first week of March.

6578
CSO: 3639/56

INCREASE BALANCE OF TRADE DEFICIT REPORTED

Lisbon DIARIO DE NOTICIAS in Portuguese 11 Jan 83 p 3

[Text] The National Statistics Institute reported that the Portuguese balance of trade deficit exceeded 314 billion escudos during the first 9 months of 1982. The value of imports reached 540.5 billion escudos, which represents a 20.9 percent increase over 1981. Exports also increased by 22.7 percent; however, these did not exceed an overall value of 226.3 billion escudos (FOB).

The export to import ratio for the period in question was 41.9 percent, which is slightly higher than the 41.3 percent figure for the same period of 1981 but significantly under the 48.1 percent for the first 9 months of 1980.

During the first 9 months of 1982, Portugal sold EEC [European Economic Community] countries goods valued at 129 billion escudos, which represents 57 percent of Portuguese exports. This is an increase of 31.5 billion escudos over the same period in 1981.

Portuguese imports from the Common Market reached 206.8 billion escudos, 38.3 percent of total imports. This represents a 34.6-billion escudo increase compared with the same period in 1981.

Portugal's trade deficit of 31.7 billion escudos with the FRG was the highest it had with any other EEC country. Portugal imported 61.8 billion escudos worth of goods and exported 30.1 billion.

Portuguese imports from the former escudo zone of trade practically stagnated. They went from 2 billion escudos during the first 9 months of 1981 to 2.2 billion during the same period in 1982.

The highest trade deficit occurred with the United States. It was 46.1 billion escudos for the 1982 9-month period as compared to 42.4 billion for the same period in 1981. The deficit was caused by imports of 59.3 billion escudos and exports valued at 13.2 billion.

Portugal's trade deficit with Spain reached 25.3 billion escudos as compared to 23.9 billion during the same period in 1981. This was due to Portugal

importing goods valued at 33.1 billion escudos and exporting 7.8 billion escudos worth of goods.

The FRG was Portugal's overall leading supplier of goods, while the United Kingdom was its primary export market (33.2 billion escudos worth of exports).

The trade balance figures with the former escudo zone countries show that exports decreased from 16 billion escudos during the first 9 months of 1981 to 9.5 billion escudos for the same period in 1982.

This drop is essentially due to the significant decrease in trade with the People's Republic of Angola: its imports from Portugal fell from 12.1 billion escudos during the first 9 months of 1981 to 3.3 billion escudos for the same period in 1982. The positive trade balance of 14 billion escudos for that 1981 period became 7.3 billion in 1982.

Minerals accounted for the largest volume of Portugal's imports, followed by machinery, electronic goods, food, and drink. Textiles and footwear were the exports standouts with a 12 percent increase over 1981.

Increase in Exports to France

The Foreign Trade Institute revealed that exports from Portugal to France increased 30.9 percent between January and September. The most exported products were knitted goods, cars, tractors, garments and beverages. Just the cotton sector showed a 140 percent increase over a similar period in 1981.

French exports to Portugal showed a 1.5 percent increase.

9935
CSO: 3542/10

POLL REVEALS MILD NATIONAL INTEREST IN EEC AFFAIRS

Lisbon DIARIO DE NOTICIAS in Portuguese 9 Jan 83 p 3

[Text] "Interest in the European Community has had a slight tendency to decrease in both Portugal and Spain. The cause of this decrease is undoubtedly the prolongation of the accession negotiations and the postponement of both countries' membership in the EEC [European Economic Community] beyond the original date." These statements were recently made by the director of EUROBAROMETRO, a publication put out by the European Commission's statistical services every 6 months.

It should be noted that 48 percent of the Spaniards and 23 percent of the Portuguese questioned in October 1982 responded by saying that membership of their respective country in the European Communities was "a good thing", while 21 percent of the Spaniards and 16 percent of the Portuguese believed it was "neither good nor bad". Seven percent of the Spaniards and 6 percent of the Portuguese felt it was "something bad."

Compared to a poll taken early last year, the number of positive responses ("something good") decreased by three points in Spain and one point in Portugal. The negative responses ("something bad") increased two points in Spain and decreased one point in Portugal. Meanwhile, in Spain, less than one-fourth of those questioned do not respond, which means they have no opinion on their country's EEC membership. In Portugal, the percentage of those who do not respond is much higher: the no opinion percentage is about 55 percent (60 percent in October 1981).

In Spain, the largest number of positive responses on the accession question occurred in April 1980 when the first poll of this kind was taken. At that time 58 percent of those questioned said they favored membership, while five percent were against. In Portugal, 31 percent considered accession "a good thing" in May-June 1981, while 6 percent said it was "a bad thing" and 10 percent said it was "neither good nor bad."

Thirty Percent of the Portuguese are not in the Least Interested in the EEC

Twenty-four percent (as opposed to 32 percent in April 1980) of the Spaniards and 10 percent of the Portuguese (as opposed to 15 percent in February-March 1982) said they were "very interested" in European Community

problems, while 26 percent of the Spaniards and 20 percent of the Portuguese said they were "a bit interested" and 10 percent of the Spaniards and 29 percent of the Portuguese questioned said they had no interest "at all" in EEC problems.

One in every five Spaniard (21 percent) and one in every 10 Portuguese (10 percent) consider community problems as being "very important" while 41 percent of the Spaniards and 22 percent of the Portuguese consider them "important". Eight and seven percent respectively consider them to be "not at all important."

At a personal level, the answers to the previous questions (interest in and the importance of EEC problems) show that the Portuguese feel much less involved and participate less in community problems than the Spaniards.

The study concludes by saying that overall the Spanish and even more so the Portuguese see themselves as being relatively apart from the European unification movement. It is "only after people have a certain level of perception that an overall favorable attitude is formed with regard to the community." This favorable attitude in turn encourages people to become conscious of the importance of what is at stake and arouses a certain amount of interest in finding out more about community problems.

9935
CSO: 3542/9

KAFAOGLU LOOKS TO BRIGHT ECONOMIC FUTURE

Istanbul HÜRRIYET in Turkish 3 Jan 83 p 4

[Article by Yavuz Gökmen "In a Year or Two We Will Be in a Position not To Need others Anymore."]

[Text] The Minister of Finance Kafaoglu says that we are going through difficult days and must work hard and persevere and not be wasteful.

ANKARA (HÜRRIYET) - During the private interview granted by Minister of Finance Kafaoglu to Hürriyet the subject of taxes was given special importance. The answers Kafaoglu gave to questions on this subject are as follows:

GÜKMEN: Will tax equality be achieved in Turkey?

KAFAOGLU: What income is the most sacred? The income obtained from hard work. That is to say from the tax collector's viewpoint. Revenue obtained from hard work does not come from salary alone. Income from a [business] venture is also obtained with hard work. Because nothing is so difficult as a [business] venture. Because where there is lack of enterprise there is lack of work and no revenue from work is generated. It is necessary to distinguish between revenue from enterprise and revenue from capital. Suppose we tax businessmen up to 60 percent and capitalists up to 25 percent. This would leave no desire for enterprise in Turkey. Instead of investing money in a venture, everybody would offer it as capital and thus attempt to secure income from capital.

It is not easy to found the social state. But the founder of the Turkish State founded it as a social state. We are progressing in that direction. In the Constitution it is written that a "social rights state" meaning a social state, is a state that also regulates the distribution of wealth among its people. This is done through taxes and subventions.

GÜKMEN: I would like us to talk a little about the latest taxes.

KAFAOGLU: Wait a minute. When I start collecting a real estate tax from property owners, all of you identify with property owners as if you were owners yourselves. As if every building belonged to the widow, interest should be the wretched citizen's, when taxes are imposed in Turkey. How the dickens can a wretched citizen have a 3 million Turkish liras income from interest? I am told everyone owns a house, why do you collect a tax? I answer: not everyone does. The

majority don't. If I do not collect a tax from those who do, there is no way to differentiate between the haves and the have nots. If everybody owns a house, then fine, let everybody pay a tax.

Taxes have an unquestionable social character. Populations that oppose taxes cannot become a social state.

GOKMEN: You are very fond of taxes.

KAFAOGLU: Well, since I collect taxes they are the subject I know best. Look, let me explain something to you. When I was Director General of Revenues my wife happened to go to her hairdresser. The hairdresser knew I was Director General of Revenues. He said to her "Your husband has imposed a tax again. We make 10,000 Turkish liras a day, what kind of tax can be gotten out of that?" Now listen to this: he says let Vehbi Koç pay taxes. So how many Vehbi Koç are there in Turkey? Supposing there were ten, can one run a huge country by collecting taxes from ten people?

GOKMEN: What is uppermost in your mind? Is there something that is on your mind when you go to bed at night, something that is always on your mind all day?

KAFAOGLU: My biggest preoccupation since I became Minister of Finance is how to find the money needed every day, for at this point there is no possibility or chance that you can conceive in how big a difficulty the Minister of Finance finds himself. There are so many imperative payments to be made: the time for the underground workers' bonus pay comes; 3 billion 600 million Turkish liras, on the spot. DSI [State Hydraulic Affairs Directorate General] workers who leave receive a seniority compensation. The seniority compensation has to be paid. One billion 700 million Turkish liras. I must be able to pay for all this by writing out a check, just like that...

GOKMEN: When are you going to be able to do it?

KAFAOGLU: We are getting there. I mean we are in the midst of ceaseless efforts to generate sources. We allow no deficit in the Budget. This does not mean that deficits are not allowed because revenues have increased. We prevent deficits by cutting down on expenses. So what happens, you are unable to make full investments, you cannot pay debts in full, you cannot meet adequately your defense requirements.

GOKMEN: So we are rather hard pressed...

KAFAOGLU: Yes, we are going through hard times. With patience, hard work and effort we shall come out of this difficult situation. It is essential that in the future we become a nation that does not depend on others.

GOKMEN: When will that be?

KAFAOGLU: I think within a year or two. If we stay with an intelligent policy, we will. An intelligent policy means not squandering. If today we started building 16 sugar factories simultaneously, we could not complete them in 16 years.

We are building two. If we attempted to erect 8 cigarette factories, we could not finish them in 8 years. If we started 30 dams, none would ever be completed. It is for this reason that since the 12th of July no new projects have been programmed. Does this carry a price? Yes. Does the Turkish nation pay this price? It does. Because otherwise it would be paying a heavier price. How? There would be more unemployed, that is how it would be paid. But we will go on insisting that unemployment cannot be checked by creating artificial sources of revenue. We must initiate, at all costs, a mode of self-financed recovery. If you ask me how: through intelligent management, there is no other solution. Trust your people. Your people adhere to this path. Your people work, they obey the state, they do not rebel. Where else can you find such people? People who have not lost their faith; 91 percent of whom go and give their vote to the Constitution. This in fact is the hallmark of self-reliance.

GOKMEN: Thank you.

12278

CSO: 3554/99

INCOME REASSESSMENT YIELDS NEW TAX RATES

Istanbul MILLIYET in Turkish 2 Jan 83 P 9

[Article " Taxation bill passed on both 'standard of living' and 'reassessment'"

[Text] ANKARA, EXCLUSIVE - The National Security Council has passed the bill which had been debated previously in the Consultative Assembly and which introduces the standard of living principle in taxation, adding to it some articles related to reassessment. According to the new legislation which came into force with its publication in the Official Journal, those whose profits derived from their business or their profession are subject to the valid method Income Tax shall not declare an annual income below 120,000 Turkish liras; those whose profits are derived from agriculture as also second class merchants shall not declare an annual income below 90,000 Turkish liras. By another article of the same law, the portion of rental income which is exempt from Income Tax has been raised from 40,000 Turkish liras to 120,000 Turkish liras; the Financial Balance Tax has been removed and it has been decreed that, for the year 1983, income of up to 1 million Turkish liras will be taxed at a rate of 36 percent. According to the terms of the interim article related to reassessment the balance sheets of private businesses that are converted into corporations as well as unlimited and ordinary limited companies that are turned into corporations up to December 31, 1983 will be subject to reassessment. Assets shown on the balance-sheets of corporations founded after December 31, 1983 will not be reassessed but will be subject to depreciation on the basis of their former value.

How Will the Standard of Living Principle Be Applied?

The standard of living principle will be applied to all those whose profits from business, agriculture or a profession are subject to the valid method Income Tax. Salaried workers in the public or the private sector, pensioners, those whose income is derived from securities such as interest, dividends and shares, those whose business or professional earnings are subject to lump sum taxation, those whose annual returns are not over 4 million Turkish liras, that is to say farmers who are subject to lump sum taxation, will not be subject to the standard of living principle.

The standard of living principle itself will be applicable at two levels: to those whose annual revenue is not over 6 million 600,000 Turkish liras, that is

to say second class merchants, and those whose sales total over 4 million Turkish liras, that is to say farmers who are subject to lump sum taxation, who will not be allowed to declare a yearly revenue below 90,000 Turkish liras; and to those who, like doctors, engineers and lawyers, with liberal professions that yield high profits and are subject to the valid method taxation and to those first class businessmen who keep books according to the balance-sheet system and whose yearly revenue is over 6 million 600,000 Turkish liras, who will not be allowed to declare a yearly revenue below 120,000 Turkish liras.

If the income declared by those who are subject to the standard of living principle, including cases where loss is shown, falls short of the amount reached after additions are made to the 120,000 Turkish liras and to the 90,000 Turkish liras, in accordance with the standard of living indicators shown below, the amount that will remain after the Income Tax Law deductions are made will be taken as the basis for determining the tax to be imposed.

The standard of living indicators that will be applied and the additional sums that will be added to the declarations of the aforementioned are as follows:

- For each passenger car (including those registered to the business) owned by the taxpayer, his wife, his children and the dependents in his care, with a cylinder capacity of up to 1600 cc.: 60,000 Turkish liras; from 1601-1900cc: 90,000 Turkish liras; over 1901 cc.: 180,000 Turkish liras.
- For more than one building occupied personally by the taxpayer, his wife, his children and dependents in his care (including separate units, floors, country and vacation houses) owned by the foregoing: half of the amount equivalent to one year's rental for each building and 60,000 Turkish liras for each that is rented.
- For each aircraft, yacht, sailing boat, speed boat (including those registered to the business) and belonging to the taxpayer, his wife, his children and dependents in his care: 600,000 Turkish liras; for other private motor-boats over 10 HP: 120,000 Turkish liras.

For each salaried employee working on a regular basis in a specific position, such as driver, governess, cook, maid, gardener and the like: 600,000 Turkish liras; for each captain, pilot and the like: 600,000 Turkish liras.

In the case of race-horse breeders, for each race horse (including colts): 120,000 Turkish liras.

- For each individual participating in a pleasure trip abroad, the taxpayer, his wife, his children, dependents in his care: 180,000 Turkish liras.

According to the law these amounts constitute the lowest limit and five times these amounts will constitute the highest applicable limit. To prevent the upper limit being exceeded the Cabinet will be empowered to raise these amounts by up to 25 percent yearly. In making such increases the amounts that were applicable the year before will be used as a basis.

For taxpayers who start a business or stop working in the course of the year, the standard of living principle will be applied with regard to the period of activity.

According to another interim article related to the standard of living principle it has been decreed that it will be applied also to taxpayers who, because of their business, agricultural or professional profits were taxed according to the valid method during the 1982 calendar year. Excepted are those who were shifted from the valid method to the lump sum taxation system during 1983 and those who ceased activity up to April 15, 1983; in their case the standard of living principle will not be applicable for the year 1982 and the period between January 1, 1983 and April 15, 1983.

Although not directly related to the subject, by another interim article added to the law, it was decreed that businessmen who were taxed according to the valid method in 1982 and who come under the general and particular conditions of lump sum taxation enforced since January 1, 1983, will be able for this one time only to chose to be taxed according to the valid method.

According to another interim article which was not reviewed because it had not been included in the text when the bill was being debated in the Plenary Session of the Consultative Assembly but which was added to the bill by the National Security Council, companies with statutes that make them exempt from reassessment were granted the right of depreciation in accordance with precise specifications. Competent authorities in the Ministry of Finance stated this right was granted in order to ensure fair competition between companies.

Accordingly, the balance-sheets of private enterprises that were turned into corporations up to December 31, 1983, as also unlimited companies and ordinary limited companies that were turned into corporations by changing their nature, will be subject to reassessment. Owners of private businesses that were turned thus into corporations and partners in unlimited and limited companies which were converted into corporations will receive shares to the amount of the net assets which will be calculated on the basis of the reassessed balance-sheets. Furthermore, assets shown on the balance-sheets of such companies will be subject to depreciation in accordance with the principles applied to taxpayers who are subject to the Corporate Income Tax.

Owners of private enterprises and partners in unlimited and ordinary limited companies the balance-sheets of which are subject to reassessment and which were turned into corporations or changed their nature after December 31, 1983, will receive shares to the amount of net assets calculated from balance-sheets to which reassessment coefficients have not been applied.

Assets shown on the balance-sheets of corporations founded by converting private enterprises or by changing their nature after December 31, 1983 will not be subject to reassessment but will be subject to depreciation on the basis of their former value. As for other growth funds shown on the balance-sheets of such companies, in case of sale of the reassessed assets or liquidation of the company, they will be subjected to the same procedure as accumulated amortizements.

According to the law passed by the National Security Council, promulgated and enforced, an annual revenue of up to 300,000 Turkish liras from royalties earned within the country and an annual revenue of up to 600,000 Turkish liras in royalties earned abroad will be exempt from income tax.

Incomes of up to 120,000 Turkish liras derived from the rental of buildings for habitation, for a calendar year, will also be exempt from income tax. Formerly, this amount was 40,000 Turkish liras.

The special income deductions for working spouses were also raised from 50 percent to full. Accordingly, a special deduction of 150 Turkish liras a day, 4,500 Turkish liras a month, 54,000 Turkish liras a year for working spouses will be implemented.

Income from capital in the form of securities and real estate, that is to say income from interest up to 3 million Turkish liras will not be subject to taxation. Furthermore, declaring such an income will be optional. The law has also changed the dates at which the condensed balance-sheet is to be submitted and the instalments on income tax paid.

From registered shares and from interest accruing to registered deposit accounts tax deductions on a 40 percent scale will be made. The Cabinet will be empowered to lower these amounts by as much as half or, provided the 40 percent limit is not exceeded, to redetermine them.

The Financial Balance Law was also revoked with the new law. Simply, one percent was added to the taxation rate of income subject to income tax for the 1983 calendar year. Accordingly, from income up to 1 million Turkish liras income tax at a rate of 36 percent will be deducted.

Taxation on incomes of different amounts was fixed as follows:

On 1 million of 3 million Turkish liras: 360,000 Turkish liras; over that 41 percent.

On 3 million of 5 million Turkish liras: 1 million 180,000 Turkish liras; over that 49 percent.

On 5 million out of 10 million Turkish liras : 2 million 160,00 Turkish liras; over that 59 percent.

On 10 million of 15 million Turkish liras: 5 million 110,000 Turkish liras; over that 69 percent.

On 15 million of 25 million Turkish liras: 8 million 560,000 Turkish liras; over that 74 percent.

For incomes over 25 million Turkish liras, on 25 million Turkish liras: 15 million 960,000 Turkish liras; over that 65 percent.

With the change in the law the tax liability of seniority compensations paid formerly was also redefined:

Accordingly, the portion of the seniority compensation paid for each year of service to workers who were fired or left their jobs between the dates of July 12, 1975 and April 13, 1980 and which is not over 7.5 times the total of 30 days' minimum wages and not over the maximum total of 24 years, will be exempted from income tax.

Those changes which were made in the Income Tax Law came into force and became applicable on January 1, 1983.

12278

CSO: 3554/99

LIMITED SPD/AL COOPERATION IN BERLIN PARLIAMENT REPORTED

Bonn VORWAERTS in German 23 Dec 82 p 8

/Article by Wolfgang Nagel, member SPD fraction in Berlin's parliament: "Growing Readiness to Listen"/

/Text/ After 18 months a certain limited cooperation has emerged between Social Democrats and the Alternative List in the Berlin Parliament. Is this going to serve as a model to other Land assemblies?

The results of the Hesse Landtag election, the two Hamburg elections and possible federal political situations increasingly raise the question of the need for the SPD to cooperate with all those groups that--disappointed by the earlier political practice of the Social Democrats--combined to form the Greens, Alternatives and other rank and file groups.

The Disappearance of Initial Doubts

The SPD fraction's work in the Berlin Parliament since June 1981 provides an appropriate basis for considering these questions from the aspect of practical politics. Following initial doubts on both sides, a type of political collaboration has become prevalent, that might be described in the words "everybody talks about cooperation--we practice it." At the same time the extent of cooperation depends not least on the style of discussions between Alternatives and Social Democrats: Know-it-all irritability has given way to the readiness to listen and discuss, to respect for the other's point of view.

Furthermore there are some factual issues that work for quiet agreement and common voting attitudes toward the CDU and the long-suffering FDP. That applies to social and educational affairs as well as to the extremely sensitive area of construction, housing and reconstruction policies, including the issue of squatting.

In addition the parliamentary elan of the "newcomers" to the Berlin SPD fraction has helped to incorporate this creativity and use it to promote their own ideas, motions and parliamentary forays. Conversely the AL deputies have endeavored to learn from the parliamentary experience of the SPD fraction members and use it in their own discussions so that practical successes may be achieved. Unmistakably Social Democrats and Alternatives share the same background in many areas. To experience this

fact in day-to-day work is important even to those who, within the SPD fraction, had tended to have some doubts about the Greens.

On the other hand we must emphasize that it seems rather ridiculous and unacceptable for some people uncritically to curry favor with and simply adapt themselves to the political opinions of the other opposition party. Nevertheless there are many instances where the SPD fraction adopted initiatives of the AL fraction and made them their own. Conversely members of the AL fraction no longer hesitate to take Social Democratic attitudes into account when deciding on their own political actions--and they do so not entirely for tactical reasons.

More Consideration for the Party Rank and File

It is also quite significant that the "example" of the alternative groups has speeded up among Social Democratic officials the compulsion to greater relevance with respect to the rank and file, consideration for that which citizens and voters really want.

Reciprocal respect for independence also means in practice that the parties are no longer afraid of controversial votes, of proclaiming their divergent opinions in parliament. This does not mean that Social Democrats and Alternatives have ceased to regard the CDU as their main political opponent.

The bottom line of 18 months of work with Alternatives in the Berlin Parliament shows that the discussions of the coming weeks and months will be less concerned with answers to rather more theoretical issues--in how far, for example, coalition or cooperation are politically desirable--, but in how far basic agreement may be made to usefully work for both parties. For a long time yet there will be issues on which the two are radically opposed to one another. Nevertheless, the possibilities of not just having the last word but of changing realities with the available political forces have by no means been exhausted.

The way the Berliners handle it, the SPD is sufficient confident to decide in each individual case whether the groups who think political cooperation with our party to be necessary--if only to achieve their goals--are in fact relevant sections of the social spectrum. Practical cooperation has certainly demonstrated that the respective reservations are far fewer than may appear desirable to some people.

11698
CSO: 3620/174

NEED FOR NEW ELECTIONS IN HESSE SEEN

Bonn RHEINISCHER MERKUR/CHRIST UND WELT in German 24 Dec 82 p 5

Article by Wolfgang Baumert: "The Hidden Two-by-Fours"

Text The Hesse SPD is still hoping for a working agreement with the Greens. Nothing promising, though, has emerged so far.

Since 1 December the theater of the absurd has reigned on Hesse's political stage. Holger Boerner (SPD) wishes to continue as minister president but does not want to stand for election to that office whil, meantime, remaining minister president--albeit only "acting." His CDU counterpart Walter Wallmann is standing for election--the only one to do so--but cannot be elected because the Hesse Constitution recognizes only an absolute majority. True, Boerner has even less of a majority than the CDU, but he is in office and will stay there until a clear majority emerges--in this Landtag or the next. By now there is not the slightest doubt that there will be new Landtag elections in the course of 1983.

Time being too short, the Social Democrats will probably be unable to couple Landtag and Bundestag elections on 6 March--desirable because voter turnout is higher for Bundestag elections. After the Hamburg results the SPD indeed is likely to fear that the election date most favorable to them has already been missed.

Until the elections--to be expected sooner rather than later--, the Hesse drama will continue, at least from the SPD side. The CDU, on the other hand, evidently felt obligated to play the goat also after the "Hornberg minister president election" of 1 December. In accordance with the ratio system for committee appointments in the Landtag, the CDU should have been able to obtain a decisive majority of five seats on the nine-seat principal committee. However, in addition to several members being absent due to sickness (heatedly disputed by the rank and file), another CDU deputy left the chamber just before the crucial vote--unnoticed by the fraction leaders. The ensuing stalemate was followed by a toss-up, and dame fortune smiled on the comrades. They now hold an unexpected majority on the principal committee.

Before the election the SPD dismissed the Greens as inadmissible partners; Boerner even placed them close to fascism and recommended dealing with them by means of two-by-fours--a phrase that has become proverbial. After the election the Greens suddenly turned into desirable partners.

To court the Greens, the SPD agreed to their wish at least in committee to negotiate a general amnesty for offenses committed at the West runway. Given the tight vote situation (52 CDU, 49 SPD, 9 Greens), Boerner himself made sure that a Green was chosen to be Landtag vice president. The Greens, in return, helped the acting SPD government to get sufficient votes for an authorization approving a DM1.5 billion loan for next year. In other words, the Red-Green coalition functioned well in the matter of borrowing.

All of this is happening before the enactment of a regular budget. When this gets discussed, it will again be glaringly obvious how little Boerner is really able to govern. Consequently the government is postponing the budget debate as much as possible. For their part the Greens came through the "schizophrenia test" with flying colors: They joined the CDU in voting against a planned SPD amendment of the agenda that would have allocated them committee seats. Their own and much more ambitious amendments were not accepted by the SPD, and the Greens therefore voted against the whole package.

The few steps toward accommodation between the SPD and the Greens are certainly not a bridge to a coalition. They are determined mainly by tactical considerations. However, this overemphasis on tactics is causing widespread irritation and could well backfire at the next elections--on the Greens also.

The SPD is endeavoring to regain voters from the Green camp. Their efforts range from the present attempts to get Landtag votes for carrying on to unflagging offerings of the other cheek and equally tireless readiness to discuss even absurd topics. On the other hand, SPD concessions to the Greens' hostility to business and growth threaten to lose votes to the party from their traditional basic reservoir of labor unionists and workers. These latter have been watching the Red-Green circus in Wiesbaden with growing anger ever since election day. How are jobs to be provided or maintained if the government lets its arm be twisted in matters abandonment of major projects such as Biblis C and the West runway? IG /industrial labor union/ Metal chief Loderer's proposal for the establishment of grand coalitions in case of ambiguous majority situations was certainly aimed in part at the screwed up situation in Hesse.

The Greens themselves are under strong pressure from their active rank and file which urges them not to abandon their utopian demands--hostile to business and the system. On the other hand they are pressured by the fluctuating potential of the floating vote. The latter insists that the politics of total refusal may last for only a short time, an insistence proved by the Hamburg example. All this shows that the birth of the new left majority envisioned by Willy Brandt represents an operation painful to all those involved. Not only is that operation likely to take a long time, it may also be fatal to those involved, because it cuts so deeply into the respective basic beliefs.

Boerner himself is watching the dialogue between the Hesse-South comrades ready to talk and the Greens, watching it with some dismay. More than almost anybody else he is aware that this dialogue is also an intimate talk between the wings of the "two-party party" SPD (a highly appropriate term coined by Wallmann last weekend). Let us remember where, a year ago, the demand for the abandonment of the runway

aroused a veritable storm of enthusiastic approval--at the Hesse-South SPD Congress. Let us also remember that Alexander Schubart, Hesse scoff-law and runaway enemy, for many years represented the left wing on the Frankfurt SPD executive. When we remember all this, we clearly discern the dimensions of the internal party debate, that would likely result in prolonged SPD equivocation if not horse trading with the Greens.

From this aspect, too, the compelling need for new elections is stronger than the acting government likes to admit. In any case, the limits on its freedom of action, defined by the constitution in outline but not in detail, already militates against the processing of the loudly announced "immediate program against unemployment," because--in terms of the budget law--it represents "preliminary legislation" to the 1983 budget. At the request of the CDU, the Hesse Supreme Court will presumably have to pronounce on its constitutionality.

Experts outside the CDU have also long dismissed the program from the political aspect. On the one hand it is pointless when measured against the expected regular budget volume of investments (DM3 billion), on the other it simply exhumes white elephants such as a medium-term program for social housing construction. As regards this, the truly relevant DM30 million for 1983 would not buy much more than 150 new housing units in all of Hesse--as Wallmann was happy to inform the party congress held last weekend.

The final investiture of the Frankfurt chief mayor as Hesse CDU Land chairman with the overwhelming majority of 269 to 1 has initiated a totally new ballgame in the political arena. In the words of one observer, the sabre wielding Dregger has been succeeded by foil champion Wallmann. The latter has already registered several hits on Holger Boerner. Soon after the election, the SPD believed to be able to brand the CDU as the party refusing to make any concessions. Now it is hard put to it to free itself from Wallmann's embrace. His offer of tolerating a budget (of course co-authored by the CDU) or even a brief grand coalition coupled with the assurance of elections next summer or fall, stood this presumed SPD weapon on its head. Now the SPD looks like the refusenik, especially in view of the indecorous horse trading with the Greens. Even the giant color advertisements in the newspapers do not do much to help in such a situation.

The CDU hopes that Wallmann's Frankfurt line of liberalism and tolerance will have its effect in Hesse as a whole. His intellectual honesty and steadfastness have earned him the respect of his opponents in the Main metropolis and a degree of popularity among the public at large, that no enlightened conservative had ever managed. This is one of the main reasons why Wallmann thinks he may have a chance with disappointed "traditional" SPD voters among workers and trade unionists who watch the platonic flirtation between the left wing of the SPD and the Greens with a jaundiced eye.

Of course Boerner knows that just as well as Wallmann. It is by no means certain, though, whether Boerner's leftist comrades--still setting the tone in Hesse--are aware of that truth also. Already they are energetically promoting Minister for Religious Affairs Krollmann as the spokesman of the new majority left of the CDU, while Boerner is being slowly relegated to the background as a kind of "left Hindenburg."

CHANCELLOR CANDIDATE VOGEL WELCOMED IN MOSCOW

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 14 Jan 83 p 3

Article by Leo Wieland: "Gromyko Visit not Meant as Election Boost for Kohl; Moscow Would Like Vogel as Federal Chancellor"

Text Moscow, 13 January—Of all West European capitals important to the Soviets, Bonn is closest to them and they are especially concerned about the German election campaign. Therefore, the Kremlin is carefully considering the kind of active role it can play and the opportunities for exerting influence to its own benefit prior to 6 March. This includes the dispatch of Foreign Minister Gromyko—he will arrive in Bonn on Sunday—as well as the persistent "PR persuasion" of the West German public by the Moscow propaganda machinery. However, the most interesting form of legitimate "interference" undoubtedly consists in receiving (or not receiving) the respective chancellor candidate, to size him up and to bestow on him measured attentiveness or inattentiveness.

During the years in power of the SPD/FDP coalition three CDU/CSU chancellor candidates came to experience this type of interference. Barzel and Kohl were received with interest, but their reception was cool. Strauss was not invited although he would have liked to come. Compared to these examples the visit by SPD candidate Vogel stands out like a triumphal procession. The new Soviet leadership with Andropov provided a welcome rarely accorded even to incumbent chiefs of government and was granted to only one German during the Brezhnev era: Willy Brandt.

Thus, in retrospect both sides are satisfied with the days with Vogel. The Soviets, who since the end of 1982 have shown that they can get along with a conservative government, have made it more than evident that the Social Democrat Vogel is their favorite. With all his disciplined reserve in the East, he permitted only one glimpse behind the election campaigner's visor when he noted prior to his departure: In Moscow, as before that in Washington, he was treated as a person who perhaps soon will occupy a "responsible position." His companions Bahr and Wischnewski well understood that reserves have been created for polishing Vogel's image during the next few weeks.

Vogel assured the Soviets of what they like to hear and what they concede to the Kohl government to some degree, namely that his East policy would be a

"continuation of that of Willy Brandt and Schmidt." At times--for example during his after-dinner speech on his day of departure--he tried to be a mixture of his possible predecessors, showing distinct self-confidence: less sensitive than Brandt but understanding, less brusque than Schmidt but plain spoken. He did what corresponds to continuity of the Schmidt kind and spoke of Afghanistan and Poland and of drastic reduction in the number of German settlers. Of course, all of that was not quotable for the Soviet media, as shown by Thursday's PRAVDA, but it did not do Vogel any harm.

Andropov and Vogel, two sober, not exactly hot-tempered intellectuals liked each other--even according to Moscow functionaries. Vogel's impressions of his host were about as follows: a man to be taken seriously in every respect; a person who knows exactly what he is talking about; a politician who is fully conscious of his responsibility in view of the potential for nuclear destruction; a discussion partner who answers questions and counterarguments immediately and spontaneously. The same could have been said in part about Brezhnev except for the latter ability. Something has changed in the Kremlin, The 68-year-old Andropov considers himself competent to handle details preferably left to Gromyko by Brezhnev towards the end and no visitor leaves Andropov with the impression that he has not done his "homework." Andropov also changed the ritual whereby a guest would first speak with less important figures and would last speak with the party chief. He received Vogel in his office in the Central Committee, a few hundred steps from the Kremlin, right at the beginning to give structure and direction to the visit.

As regards the main issue, the question of nuclear armament, the Soviet functionaries fed the visitor the tested line with numerous impressions, flexible hints, and hopeful signals without any obligations. In essence they conveyed to Vogel--just as to the U.S. Congressmen present in Moscow at the same time--the impression that there are "chances of movement" at the Geneva negotiations. In response to many critical followup questions concerning the latest Andropov offers, they furthermore provided the information--not further explained--that "scrapping" of some SS-20 missiles is "being considered" in case NATO does not counterarm in the fall. Vogel listened and praised the "constructive" intentions. But he avoided offering himself hastily as intermediary between the superpowers and spoke instead of the German interest in as few nuclear missiles as possible on both sides.

Nevertheless that is exactly the sort of topic that promises to become the cheap staple in an election campaign with the priority topic of "counterarmament." Andrey Gromyko, the oldest foreign minister in the world, starting Sunday will pick up the same story in Bonn. His visit may be regarded as consolation and balancing for the Vogel show in Moscow. It will be a welcome occasion for the Federal Chancellor to demonstrate foreign policy stature at home at the side of a representative of the other superpower. Gromyko is not coming to help the election of Kohl or Genscher whom the Soviet news agency TASS compared quite unfavorably with the political realist Egon Bahr. Gromyko is coming to promote Andropov's proposals, to help getting a response to the Prague Declaration, and undoubtedly to predict gloomy consequences for the day on which NATO would confront the Soviet medium-range missile monopoly with its own missiles. Gromyko's appearances are likely to be useful but sharp-edged events.

CDU/CSU CONCERNED ABOUT FDP SHOWING IN MARCH ELECTION

Duesseldorf WIRTSCHAFTSWOCHE in German 17 Dec 82 p 26

Text The Union parties are hoping for a decisive election victory with an absolute majority in March of next year. But political reasoning compels caution-- and concern about the Free Democratic partner.

A prearranged no-confidence vote on Friday of this week turns Federal chancellor Helmut Kohl, after two months in office, into a mere caretaker chief of government. But this selfdenial of power is to ensure a 4-year chancellorship.

Most of the public opinion polls make this hope appear realistic. If it came to a vote next weekend, the Christian Union would be assured of an absolute majority, according to most opinion pollsters. Of course, even pollsters can be wrong, as was proved in the state parliamentary elections in Hesse. Dieter Roth, analyst of the research group Wahlen e.V. in Mannheim, already interprets the polling results of his institute to mean that the Christian Union "will under no circumstances obtain an absolute majority" on March 6, 1983.

The uncertainty about voter attitudes forces CDU strategists into tactical acrobatics to make possible the survival of the Free Democratic partner. The calculation is gaining ground that, in the last analysis, it would be immaterial to the Union whether they win with 47 or 48 percent, as long as the FDP can be boosted over the five-percent hurdle. A Christian-liberal government would still possess a majority of over 52 percent. It seems that Helmut Kohl, in particular, would be more pleased with an election result that would let him keep Hans-Dietrich Genscher as foreign minister and vice chancellor, than a solo government of the Union, with Franz Josef Strauss at the cabinet table.

But even if the FDP should just barely manage the five-percent hurdle, Strauss could emerge from the elections as the real victory, for his strategy is not at all bad. In Bavaria, Strauss can expect a personal triumphant result, while north of the River Main he is taking voters away from Kohl and driving them straight into the arms of the FDP. A greater demand for influence in Bonn can be justified in this way.

Strauss, who let himself gladly be persuaded to stand as a candidate for parliament, causes uneasiness in the politicians of the larger sister party. Lightheartedly aggressive, he lets it be known that he wishes to become foreign minister and vice chancellor; 3 days later he philosophizes about a Grand Coalition. And the statement by his secretary general, Edmund Stoiber, "we have no votes to give away," can hardly prevent a defiant voter reaction from giving their ballots to the Free Democrats instead of Franz Josef Strauss.

The appeal to those Union voters disliking Strauss has already become a good campaign slogan for FDP chief Hans-Dietrich Genscher who, however, will have to come up with a few additional ideas. But Genscher is not inactive. Thus he reactivated Ralf Dahrendorf, the left-liberal pioneer of the founding years of the former SPD/FDP alliance. The current rector of the London School of Economics is supposed to attract especially the votes of critical liberals. Genscher also brings to bear his international standing. The visit by Soviet foreign minister Gromyko in January is very opportune for him, since it gives him the chance to present himself in the media--which in recent times had been dominated by Helmut Kohl in foreign policy matters--as a reliable partner for talks with the whole world.

By and large, however, the survival strategy of the Free Democrats aims at the Union; to be more precise, at its second votes. Chief argument in Bonn's Thomas-Dehler-Haus: "What happens if the CDU/CSU get just a little less than an absolute majority, and the Green party moves into parliament instead of the FDP?" FDP speaker Heribert Schmuelling acts very assured: "Many thoughtful Christian Union voters are deliberating whether they should give us one vote--because of the danger of perhaps missing an absolute majority by a hair, and also because of long-term strategy, for absolute majorities only happen once in a blue moon!"

A considerable number of Union politicians think along similar lines. Although Hesse's CDU chief, Walter Wallmann, declares that it is a matter of "awakening" in the citizens "understanding for the new policies and courage for the future," many of his friends in the party want to support this courage tactically. They consider it better to "discreetly explain to the voters how to split votes," according to a CDU member of parliament. Of course, no one from the Christian Union will openly campaign for second votes for the Free Democrats. This is left to the skill of the local candidates for parliament.

The Free Democrats also expect election aid from Federal Labor Minister Norbert Bluem. Their hope: many a strong word can surely be expected from Bluem before the election, which may frighten one or the other of the middle class and may drive him away from the Union and in the direction of the FDP.

In any event, the FDP must quickly emerge from its low voter appeal, especially since CDU parliamentary manager Peter Radunski promises "a short and icy election campaign." The liberals will be trembling to the end.

9917
CSO: 3620/164

IMPROVED RELATIONS WITH TURKEY SEEN IMPORTANT GOAL

Athens I VRADYNI in Greek 10 Jan 83 pp 1,12

[Article: "On the Problem of the Problems"]

[Text] The big air force maneuvers of the Turkish forces which will be starting on Thursday in the Aegean region, west and east of Mytelene, brought again to the fore what may be the problem of problems of Greek foreign policy. It would be difficult to deny that the evolution of the Cyprus question and of Greco-Turkish relations had a bearing, as no other factor did, on the shaping of our foreign policy these last few years. It is that element which, more than any other, put to the test our relations with our allies and it would be impossible to doubt that the same factor also plays a significant part now in our moves as well as in the shaping of prospects for the nearer and more distant future.

History and geography have condemned the two countries to have common borders. But they did not compel them, basically, to launch themselves into a perpetual and tough contest. When countries like France and Germany were able to bury centuries old enmities and hatreds, one would hope that it should be possible for Greece and Turkey to imitate them. However, the periods of friendship and cooperation which linked the two nations were nothing more, up to now, than short, luminous interludes. Many efforts were exerted from time to time, especially by Con. Karamanlis in the last years, to bring about a new era in Greco-Turkish relations. The results, however, were not proportional. Distrust prevailed, crises always followed a detente which proved to be temporary and we have reached the point where the President of the Republic in his New Year address speaks of an open and dangerous foreign front.

Where does this lead us? Independently of all that has happened and of who is responsible for the bad relations, this column has no doubt whatever that we must continue our efforts to restore a relationship with Turkey based on friendship and cooperation. Without, naturally, making concessions on our sovereignty rights. There is no other policy which truly serves the interests not only of Greece but of both nations. The outcome does not depend, however, on us only. It must be a common will. And since on the other side good faith and logic do not prevail, we must be prepared to meet each negative development coolly and steadfastly. And above all with decisiveness and ideological considerations. A decisiveness free of emotion, that is - to repeat the words of Const. Karamanlis - "which will ensure us the support of all those who can have an

influence, positive or negative, on the evolution of our national affairs."

Undoubtedly, we are an emotional people. We easily yield to enthusiasm, we are easily disheartened, we are easily led astray. And this is probably why we were never able to follow a proper foreign policy, seriously, consistently, with self-control and with stability. But if this provides an explanation for all that has happened it does not also constitute an excuse for all that is happening or will happen. When, in the case of an excessively prolonged controversy with Turkey it is possible, according to the President of the Republic himself, that we could be led into a grievous venture, there could be no possible absolving of any weaknesses arising from dissensions in our domestic front and from a clumsy handling of our international position.

It is not possible that the government has not realized the seriousness of the problem. This is not apparent, however, in its actions. Because how is it possible for it to strive to obtain the support of the West - which, whether Mr. Papandreu likes it or not, can influence more than any other factor, positively or negatively, the evolution of our national affairs - when insistently, systematically and monotonously he cultivates in our people by declarations and comments, through the press, radio and television an anti-western spirit? How can he secure the support of Europe, to which we equally belong, when he cultivates an anti-european spirit? Is it the dogmatic, prejudices, the "emotional and ideological factors" or the influence of Mr. Florakis' party which guarantees tolerance to the austerity policy in exchange? Interpretations are varied but do not change the results.

We do not believe the government will claim that securing the support of Moscow in whose direction so many "openings" were made, is enough to guarantee the security of this country. Moscow's partiality toward Ankara is well known, which did not appear to be influenced at all by the nonstop demonstrations of loyalty of the Turkish regime to Turkey's allies. And the position held by Moscow during the Turkish invasion of Cyprus, which it never condemned, is even better known! Does the government need further proof to face properly the problem of problems and to follow a foreign policy which will enable us to avoid adventures?

12278

CSO: 3521/151

DAILY ASSERTS ANTI-AMERICANISM OF ENTIRE POLITICAL SPECTRUM

Athens ELEVTHEROTYPIA in Greek 12 Jan 83 p 4

[Article "Views on 'Reckoning Without the Innkeeper'"]

[Text] It is no longer a secret that the dialogue between Greece and the U.S.A. about the fate of American bases in our country is "stuck". That the way the situation has evolved it is not very far from a dead-end.

Conscious of being a super power and with the momentum derived from the habit of "running free" in this country, it appears that our "friends" the Americans consider us more "pressurable" than we really are.

They were unable to coax the kind of agreement they wanted from the previous, avowedly friendly to the west, New Democracy government. And this should have helped them to realize a simple truth: no democratic government in this country, lawfully elected by the Greek people, can give them what they are asking for.

There is now a firm stand, a stance of the Greek people which no government, even a conservative, pro-western one, can ignore. The Greek people - rightist democrats, centrists, leftists, socialists and communists - are possessed by the deepest and strongest anti-american feelings.

These feelings are the product of the U.S.A.'s own policies toward our country. The suspicion, the fear, the abhorrence, the aversion toward every American mode of operation and initiative are the result of the way U.S.A. governments and services have dealt with Greece and the Greeks during the last decades.

If Americans had weighed all of this, if they had measured the triumph of Karamanlis when he announced the withdrawal from NATO and the decline of his party when "he corralled the country again", if they had measured the intensity and passion of the slogan that can be heard and which now goes beyond partisanship: "Out with the Americans forever" they would realize they are on the wrong path.

They are calculating therefore without the Greek people and without the Greek army - who will owe to them forever the double disgrace they brought about, first with the April dictatorship, then with the betrayal of Cyprus. They are reckoning "without the innkeeper" when they calculate that with "pressures" of every kind they will coax from the government what they are after. That they will achieve its "backing down".

POLITICAL

GREECE

FLORAKIS MEETS WITH ARCHBISHOP SERAPHIM

Athens ELEVATHEROTYPIA in Greek 11 Jan 83 p 10

[Article on "Seraphim and Florakis, One Hour Meeting"]

[Text] Yesterday morning, Secretary General of the K.K.E. [Greek Communist Party] Mr. Charilaos Florakis and the Archbishop of Athens Mr. Seraphim had a one hour private meeting. The visit, which was characterized by official sources as purely formal, took place at Mr. Florakis' request.

At a previous meeting with Mr. Seraphim, the Secretary General of the K.K.E. had said to the Archbishop;

"Your Beatitude, I would like to meet you on a more personal level."

The Archbishop accepted and agreed to a meeting after the 1st of the year. Yesterday's meeting was kept secret and when, at 11 in the morning, Mr. Florakis arrived at the Archdiocese no journalist was present, except for the church photographer.

The Secretary General of the K.K.E. stayed with the Archbishop until 12 o'clock noon and, according to press reports, their meeting was friendly and cordial. "They spoke about things past", said a member of the Archdiocese, "Do not forget they are compatriots, since they both originate from Karditsa."

12278

CSO: 3521/151

POLITICAL

GREECE

BRIEFS

KKE CONDOLENCES ON BAKARIC DEATH--The KKE Central Committee has addressed to the League of Communists of Yugoslavia [LCY] the following message on the death of Comrade Bakaric: "Dear Comrades: The KKE Central Committee sends its deep condolences on the death of Comrade Vladimir Bakaric, member of the LCY Central Committee Presidium and vice president of the SFRY Presidium. Please convey our condolences to the family of Comrade Bakaric. [Signed] KKE Central Committee." [Text] [NC211031 Athens RIZOSPASTIS in Greek 20 Jan 83 p 12]

EQUALITY, DIVORCE LAW APPROVED--On Tuesday 25 January the Greek Parliament approved a bill establishing equality of the sexes for all family questions. The text also makes possible divorce by mutual consent or by reason of incompatibility after a 4-year separation. It includes, moreover, certain protective measures for single mothers and children born out of wedlock. The text was approved unanimously. [Text] [Paris LE MONDE in French 28 Jan 83 p 3]

CSO: 3519/296

They are in danger of causing the opposite. Of losing even on questions which it is disposed to discuss with them. Because if the government decides to turn to the sovereign people themselves, the Americans will be facing the most intransigent, the most maximalistic "negociator".

The modes of operation, whether in the guise of economic warfare, at other times through the guided provocativeness of Ankara or through attempts at engineering internal governmental and political problems, do not make either the people or the government of Greece more favourably inclined towards the U.S.A. They simply enrage.

Greece neither had nor has the inclination to "change sides". But it is also firmly determined to protect its independence and its sovereignty. And, apart from Greece itself, there are others also who have a vested interest in this peaceloving and democratic vacation spot not suffering any alterations in this volatile area of the world. Who want to support an essentially autonomous country through a genuinely multilateral foreign policy.

Americans are grossly underestimating both the domestic and the foreign fronts which can support the decisions of this government. But soon they will have a convincing answer to how "pressurable" this country, its government and its people are.

12278

CSO: 3521/151

POLITICAL

NETHERLANDS

PEACE GROUP HAS PROBLEMS IN RELATION WITH GDR

Amsterdam DE TIJD in Dutch 31 Dec 82 p 24

[Article by Tom Crijnen: "Why Mient Jan Faber Is Not Welcome In GDR"]

[Text] Mient Jan Faber, secretary of the International Peace Council, has been declared undesirable by the GDR. That he has again been refused a visa leads to that conclusion. After this openly happened twice in June he was last week indirectly notified that the GDR borders remain closed to him.

Together with PSP [Pacifist Socialist Party] Chamber member Van der Spek, Faber was invited by the VPRO [Liberal Protestant Broadcasting Association] radio station to exchange views with representatives of the East German peace movement in East Berlin. Recordings were to be broadcast at the end of this week. However, the GDR embassy refused.

This GDR attitude does not come unexpectedly. Fourteen days ago I interviewed representatives of the government, political parties, and official peace organizations. One element showed up in all these conversations: deep-seated East German distrust of the IKV [Interchurch Peace Council].

They no longer consider the Dutch peace movement a reliable partner and point at Faber's visit to NATO Secretary General Luns (October 1982). I quote a prominent member of the central committee of the unified communist party SED: "In so doing the IKV has struck a deal with American imperialism and allows the CIA freedom to maneuver." Who was it again who said that the IKV was affiliated with the KGB?

It really upset the East Germans that in May 1982 during a peace congress in Moscow International Secretary Wim Bartels, acting on behalf of the IKV, displayed public solidarity with East European dissident movements, like Charta 77 and Solidarnosc. Ties between the IKV and religious peace movements in the GDR are similarly seen.

"Internal Affair"

The IKV is looking for ways to arrive at cooperation between peace movements in East and West. It employs two methods to achieve this: by way of official contacts with the governments and via relations with the "base"; in the GDR it is the protestant movement Schwerter zu Pflugscharen [Swords to Ploughshares].

Herman Kalb, undersecretary for religious, says: "Forces at work in the IKV want to meddle with our country's internal affairs. We cannot accept that. How we deal with the so-called problem of peace in the evangelical churches is none of the Dutch peace movement's business. That is an internal GDR affair.

The Dutch peace movement refuses to understand that we are here dealing with people who in their majority want to establish some kind of opposition party like Solidarnosc. That has nothing to do with activities on behalf of peace. The IKV has to bear the consequences."

Uli Brockmeyer, board member of the state youth organization Free German Youth (2.3 million members), who claims to be an advocate of peace, does not like the IKV and says: "No, there are no contacts." Unilateral steps towards disarmament advocated by the peace movement are particularly irritating. "They increase the chance of nuclear war, they are naive and an easy way out.

"Please, No Ideology"

The authorities in East Berlin are also very distrustful of another IKV slogan: do not think in terms of blocs of nations. The above quoted member of the central party committee explains: "The GDR exists by the virtue of its philosophy of blocs of nations."

Christine Wieynk, secretary of the East German Peace Council and member of parliament for the CDU, says: "We should not burden the peace movement with ideological discussions, it causes discord. The international peace movement consists indeed of groups belonging to opposing social systems in the East and the West. The promotion of peace is the only thing that brings them together. The IKV is trying to construe relations that do not exist.

It obviously wants to defend itself against accusations of anti-americanism. That is the reason it contacted Schwerter zu Pflugscharen. The IKC confuses the anti-imperialist opposition it puts up in its own country with the anti-communism practiced here by the above mentioned group. Peace movements in opposition to the government have no right of existence in the GDR.

In our nation peace is served by the powers of the government. That is not the case in your country. You need therefore an opposition movement."

Oyto Fuchs, member of the board of the East German CDU and chairman of the Berliner Konferenz, adds the following: "The IKV wants too much too fast. One should not try to do the thinking for us, and, in particular, one should not act as if the peace movement in the GDR can only be identified with Schwerter zu Pflugscharen."

Bull in China Cabinet

For about 5 years the IKV has maintained relations with the Union of Evangelical Churches in the GDR. About 50 IKV groups keep in contact with

evangelical parishes in East Germany. These relations are a source of frustration to the communist government but the leadership of the churches is also unhappy about it.

Dr. Werner Krusche, bishop of Magdenburg and chairman of the conference of evangelical church leaders, says: "Without our consent the IKV has forced us into a partnership we do not want; it makes us suspicious in the eyes of the authorities. The IKV gets the headlines in the Netherlands, we in the GDR are coming under attack.

The Dutch peace movement does not understand our difficult position. I experienced that again during a recent visit to the Hague. It acts like the proverbial bull in a china cabinet. The IKV thinks that it can approach the peace movement in our nation the way it does with sister organizations in England or the GDR. That is a big mistake."

The role of the Dutch peace movement in the GDR appears to have come to an end.

10319
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EXPERT PROPOSES CHANGES IN RELATIONS WITH NETHERLANDS ANTILLES

Rotterdam NRC HANDELSBLAD in Dutch 28 Dec 82 p 7

[Article by A.J.F. Koebben (professor extraordinary of the State University of Leiden for the study of "ethnic minorities in the Dutch society," and member of the Mixed Committee for the Future of the Antilles; this article is a personal contribution): "Antillians Want Independence When Chicken Grow Teeth."]

[Text] It looks like Aruba will soon sever its ties with the Netherlands Antilles, and--whether that will be after a transitional period or not--its 65,000 inhabitants will become an independent nation. The urgent question is then what the political future of the remaining five Antillian islands will be. It seems only natural to make them independent at the same time; if the decision were left to the Netherlands this would definitely be the case.

However, the islands themselves are of a completely different opinion.

An Antillian politician expressed himself as follows: "We do not want independence although we realize that it will in the long run be inevitable." He acted as if he were talking about health itself. This is not just the attitude of the political elite but just as much of the majority of the population. A few years ago when a random sample of the people of Curacao was polled 57 percent declared themselves against independence, only 14 percent were in favor.

We may assume that the percentage of opponents can only have increased since then; the said developments in Suriname are a contributing factor. Not one vote in favor of independence has ever been recorded in Bonaire and the Windward Islands. In short, they will become independent "when chicken grow teeth", to use an Antillian expression.

This attitude is not the result of love for the Netherlands. It may have something to do with "cultural dependence", as the Antillian sociologist Romer calls it. The fact that people can simply not imagine an existence without any ties to the Netherlands.

But it is mainly a matter of well understood self-interest. If Aruba goes its own way the five far flung islands with a total population of only 185,000 people will certainly be in a vulnerable position; they are economically

entirely dependent on foreign assets; practically everything, to a large extent even their food staples, has to be imported. It is therefore no wonder that they want to hold on to their "lifeline" with a somewhat bigger nation. To foreign investors it makes quite a difference whether they are dealing with an unknown miniature nation or with the "Netherlands" Antilles. It may not seem fair, but this is how the wicked world ticks.

When they remain a part of the Kingdom of the Netherlands they can also feel a little safer in a geopolitical sense. The question arises whether it would not be better to establish such a "lifeline" with a nation in the Caribbean. The fact is that the Antillians are afraid--not quite without foundation--they could wind up in the position of some sort of protectorate which would be considerably less advantageous than their present autonomous status.

Successes

Under these circumstances it would not be a very elegant solution if the Netherlands unilaterally forced independence on the Antilles ("by registered letter"). In this respect the Antillians have recently scored some tactical successes. In the Mixed Committee for the Future of the Antilles which, among other things, has to study the consequences of Aruban independence for the other islands, their skilful maneuvering achieved that independence of "the Five" cannot even be discussed. Furthermore, several prominent Dutch politicians declared this year that they will not force independence on the Antilles. An additional point is that most experts of international law specializing in the right to self-determination side with the Antilles. They believe that this right includes that a former colonial territory may refuse independence. Article 55 of the Statute (governing the relation between the Netherlands and the Antilles) points also in this direction.

The best thing we can perhaps do is therefore resigning ourselves to the fact that, for the time being, a political tie between the Netherlands and the five Antilles will remain in existence. However, what can and should be discussed are the terms of this relationship (they can of course never be unilaterally dictated by our Antillian partner).

From the Dutch point of view the following subjects should be studied (but the Antillians have perhaps also subjects which they would like to change):

1. Development assistance. It amounts now to close to 1,000 guilders per Antillian per year, which is 35 times as much as India. In accordance with generally accepted international standards Antillians cannot even be considered eligible for any such assistance.

The islanders are receiving it because of their statutory ties with the Netherlands...however the Statute does not show anywhere that financial assistance is an obligation, not even considering the size of the amount.

As the beautiful theory will have it development assistance should eliminate itself in the long run. This actually happens hardly ever, and certainly not on the Antilles. However, it is indeed possible to make a plan covering a number of years which would lower assistance every year by a certain percentage without seriously hurting the economy of the country. It is indeed reasonable that the Netherlands continue their financial contributions to the economy of the less viable islands (Bonaire, Saba, Saint Eustatius); it concerns relatively small amounts.

No Exodus

2. Free access of Antillians to the Netherlands. A recent thesis explains that an exodus of Antillians to the Netherlands is unlikely. The author, Dr. W. Koot defends his thesis with very acceptable arguments and the migration figures of recent years are backing him up. However, he has an important reservation: his thesis is only valid for a more or less steady economic and political situation. Imagine however, that something would lead to political chaos on, say, Curacao; in that case the possibility of many people fleeing to the Netherlands cannot be excluded. That would be detrimental to the Netherlands which is already suffering from a lot of unemployment, and it would be no less than disastrous for the Antilles.

A European Dutchman does not have free access to the Antilles; when he enters the country the immigration authorities interrogate him politely and scrupulously: what is the reason and the duration of the visit, and in particular, is he in possession of a return ticket? This is of course justified.

Much can be said in favor of a similar arrangement for Antillian Dutchman who want to come here, and there is nothing in the Statute to make it impossible. But this arrangement should be leniently applied: persons coming to the Netherlands for educational reasons or within the framework of family reunion or because they have found a job should be admitted without impediments, now and in the future. With the exception of special circumstances there would hardly be a change in the actual admittance procedures.

I emphasize this as I know it to be a sensitive question, and I am running the risk of applause from the wrong persons.

Marines

3. The possibility that marines under Dutch command will be used to maintain law and order by force of arms. This is hazardous, in particular because we have actually no control over the way in which the government is run. It is true that measures have been taken to avoid rash action (the Hague's consent is needed) but this does not exclude the possibility.

4. The possibility that a government emerges on the Antilles which should be rejected for democratic or humanitarian reasons while we will nevertheless be sharing responsibility in accordance with article 43 of the Statute.

5. The possibility that, based on its defense obligations over there, the Netherlands will become involved in an international armed conflict.

As far as the objections mentioned above under points three and four are concerned, a technical solution can be found in the Statute. Articles 50 and 51 enable the Netherlands to cancel legislative and executive decisions, and it can also issue decrees if the Antillian Government fails to act appropriately. The official explanation of these articles shows that they intend to protect fundamental rights and freedoms, legal security and good government.

However, an attempt to use these articles would certainly meet with stiff opposition and I do not really believe that they will ever be used. As alternate and perhaps more preferable solution would be an additional article in the Statute allowing both partners the opportunity to unilaterally terminate the Statute on short notice, for instance in 3 months. This article should be used in the event a reprehensible government emerges in the Antilles.

There is no real solution for point five only. As long as there remains a political tie between the Netherlands and the Antilles we will at least share the responsibility for the external defense of that territory. We should accept this disadvantage which should not be underestimated. It should be cold comfort to us that in the event of an attack on the Antilles we will definitely have to content ourselves with much less of a show than the big one enacted by the iron lady on the Falkland Islands.

Very Quiet

Antillian politicians are inclined to keep very quiet in matters regarding the Statute. No wonder, anybody inclined to change the relationship with the Netherlands will become exceptionally unpopular. There are a few commendable exceptions, but most Dutch politicians are used to work on Antillian affairs in those short moments when there seems nothing else to do: it is obvious that they find the Antilles too remote and too unimportant to prepare a good set of policies. Nevertheless, in this case the initiative will have to come from them. I sincerely hope that my contribution will help to bring that about.

10319
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FIGHT IN CHRISTIAN PARTY OVER LEADERSHIP, DIRECTION CONTINUES

Oslo DAGBLADET in Norwegian 15 Jan 83 p 2

[Article by Arne Finborud]

[Text] The Christian People's Party is continuing to postpone dealing with its problems.

That is the inevitable conclusion that must be drawn from the so-called clarification that took place this week just before Kare Kristiansen jumped on the plane to Africa. The situation is reminiscent of the remarkable solution the Liberals arrived at in 1970 when, to be on the safe side, the party elected all three rivals, Seip, Eika and Garbo, to the party leadership. Things had to go wrong, even though Liberals raged when Lars Jacob Krogh told TV viewers the truth, that the party was simply postponing the problems.

Now that Kare Kristiansen and Kjell Magne Bondevik are exchanging jobs and will continue to share political power in the party, it means that the conflicts will be kept alive all the way to the top and that they will dominate the Christian People's Party for at least another 2 years. For no one, not even in the Christian People's Party, would deny that the two top leaders have different views on a number of current issues. But instead of trying to arrive at a political clarification now, an effort will be made to let the conflicts die down, to solve the problems amicably and to satisfy everyone. In that way the party could regain an average size and strength.

The Conservatives succeeded with a similar tactic when all the candidates were elected to the chairmanship trio in 1970. But that succeeded because Kare Willoch was the undisputedly strongest person politically and there was no doubt as to how the power was distributed.

But the situation in the Christian People's Party is not the same.

Both Bondevik and Kristiansen are strong personalities and their prime objective is political power.

There is little doubt that Kjell Magne Bondevik had a different solution in mind initially than the one that will in all probability be resorted to. When he declared himself as a candidate for chairman and took up the fight against Kristiansen, he knew how strong he stood in the party organization and that he could beat Kristiansen. We should not forget that at the two preceding party congresses, Bondevik had been strongly urged to run against Kristiansen and it is highly likely that he would have been elected if he had agreed to run. This fact should also be considered in connection with the fact that some circles have recently presented Bondevik as an aspiring, ambitious, even power-hungry person who behaved ruthlessly with regard to poor Kristiansen. But Bondevik did not count on Kristiansen fighting to the bitter end, even though it was quite obvious he would lose.

Confronted with this, Bondevik decided to yield. He could not withdraw as a candidate for the chairmanship after 17 out of 19 counties had supported him. But he could give Kare Kristiansen the job as group leader as a personal gift in return for leaving Bondevik in peace.

A great deal could be said about Kristiansen's behavior in this connection and there have been accusations that he damaged the party by clinging to a post when he had no support for doing so. But his obstinacy had clear political overtones. He knows he has something to fight for politically in opposing Kjell Magne Bondevik, because he wants the party to take a different course than the one his young challenger wants the party to take.

The most important thing for Kare Kristiansen now is to find a formal platform to stand on in the fall election. That is also why he is insisting on being elected parliamentary leader at an unusual time, right after the party congress in April. The natural course of events would be for the Storting group to select its officers when Storting convenes in October. But such a procedure would be highly dangerous for him. Not only would he have to run as an ordinary Storting representative in the campaign, but the party would also have a chance to try out Kjell Magne Bondevik in both top positions for several months. The party might have come to prefer that, in fact there are many indications that this would have been the case. For it is with a heavy heart that most of the Storting group members have realized that they are helpless pawns in the game for the top posts and that they will be forced to accept a new group chairman. For Bondevik's position is undisputed there too--with a few exceptions. It is only in order to create an artificial peace in the party that the group is going along with the proposed solution, although there is still some uncertainty as to whether they will actually do so.

In the past, the struggle between Bondevik and Kristiansen for the chairmanship was presented as a test of strength. The one who held out the longest would win. Very few people believed it would go as far as a vote. After the county recommendations took such a clear direction, most people assumed that Kristiansen's defeat was so obvious that he would withdraw for the sake of the party. When he demonstrated that he would not, it led to Bondevik's reaction, since he could afford to be magnanimous. But he

will not emerge unscathed from this process either, since he will be left in a post as chairman, which has no political guarantee of having the upper hand over the parliamentary leader.

And Kare Kristiansen intends to run again in the 1985 Storting election and can hang onto his job as group chairman. So it is by no means certain that Bondevik will be able to gather all the power in his own hands 2 years from now, if the two leaders have not tired each other and the party out so much in the meantime that others step in and find a solution.

6578
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CENTER PARTY TORN BY STRUGGLE OVER DEPUTY CHAIRMAN VOTE

Oslo ARBEIDERBLADET in Norwegian 18 Jan 83 p 6

[Article by Nils Ottar Ask]

[Excerpts] By now, most of the personality issues in the political parties have been resolved, although the final decisions will not be made before the parties hold their congresses in the spring. But the cards that have been laid down for the new leadership posts in the Christian People's Party and the Center Party contain built-in political conflicts. These may turn out to be superficial solutions that merely delay dealing with the problems. And if that is the case, it will be hard on the parties in the next congressional period. That is the period when the foundation should be laid for good Storting election results and when the government question should be decided. These matters will be of vital importance for these two parties in particular. Willoch will hardly be interested in including them in his government if they are unable to maintain order in their own ranks.

Guerrilla Attack?

The way seems to be clear in the Center Party for another period as chairman for Johan J. Jakobsen. There can be no disagreement about that. But the fight for the deputy chairmanships could be tough, even though the nominating committee unanimously endorsed Johan Buttedahl as new political deputy chairman. The question is whether the "radicals" in the Center Party will accept the exclusion of their man, Lars Velsand, from representation in the top leadership. Buttedahl has clearly been part of the right wing of the party, he has been Jakobsen's man, while Velsand has just as clearly spoken on behalf of the increasingly active left wing. The same evaluation can be made in the selection of the organizational deputy chairman. Here the choice lies between the Jakobsen wing's Anne Enger Lahnstein and Kjersti Borgen of the left wing and the "Hedmark guerrillas." It will be a big surprise if the Center Party's left wing does not launch a "guerrilla attack" in order to be represented in the top leadership.

Conflicts Unlikely

Among the other parties that will hold elections at their congresses, the Labor Party seems likely to re-elect its leadership triumvirate. Speculations that Leveraas would fall have turned out to be unfounded. All indications are that he along with Gro Harlem Brundtland and Einar Forde will continue to lead the Labor Party in the upcoming time period.

The Socialist-Left Party has also solved its chairmanship problem after Berge Furre decided not to run for re-election. There was no political conflict over his successor, just a problem of finding someone willing to take over. The Liberals and Conservatives are not holding elections this year. That may be convenient for Jo Benkow, with the dissatisfaction that has arisen concerning his efforts.

6578
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GONZALEZ DELVES INTO AUTONOMY WITH BASQUE, CATALAN LEADERS

Madrid YA in Spanish 13 Jan 83 p 9

[Article: "Felipe Gonzalez Will Explain New Autonomy Policy Today to Pujol and Garaicoechea"]

[Text] The prime ministers of the Basque Government and the Autonomous Government of Catalonia--respectively, Carlos Garaicoechea and Jordi Pujol--will be received in Madrid today by Prime Minister Felipe Gonzalez for their initial contacts with the socialist government and to try to clear away the suspicions harbored by the nationalist minorities as regards the new executive on the issue of autonomy.

Felipe Gonzalez will continue his talks on this issue over the next several days in meetings with the leaders of five other autonomous regions. Tomorrow --Friday--will see the arrival in Madrid of Rafael Escuredo, head of the Andalusian Junta, and Gerardo Fernandez Albor, head of the Galician Junta. On succeeding days, the Moncloa will receive Rafael Fernandez Alvarez, head of the Asturian Community; Andres Hernandez Ros, head of the Murcian Community; and Joan Lerma, head of the Valencian Community.

Sources close to the Prime Ministry of the Catalan Autonomous Government have indicated to YA reporter Maria Angeles Llinas that the meeting being held in the Moncloa between Felipe Gonzalez and Jordi Pujol at 6 pm today will deal with purely institutional matters. Jordi Pujol expects to take up with Felipe Gonzalez the issue of relations between the two governments and to discuss problems still awaiting resolution: Government aid to flooded Catalan zones, and cessions and funding of transferred services.

With regard to the flood problem, Jordi Pujol will probably try to reach an agreement on renegotiation of the disaster-area decree, which requires the Catalan Autonomous Government to underwrite the repair of the damages suffered by the transferred services; he will probably also press the prime minister on the need for a special plan to aid the flood-stricken zones to the extent of 8.96 billion pesetas.

The Catalan Autonomous Government's prime minister made it clear several weeks ago that his government would be unable to meet the repair costs of the disaster-stricken areas if it did not very soon receive the funding pertaining to the transferred services.

Pujol is somewhat concerned about a possible reduction in the valuation of the damage, which had been fixed by the previous [central] government at 126 billion pesetas. The Autonomous Government prime minister's concern is based on some statements by the secretary of state for autonomies, Maria Izquierdo, to the effect that the [central] government is reviewing thoroughly the valuations of the services being transferred to Catalonia.

Jordi Pujol intends to take up with Felipe Gonzalez the transfers from the central government to the Autonomous Government that are still pending. These transfers, which are to be completed by 30 June 1983, include services related to agriculture, universities, labor, industry and energy, environmental protection, transportation and tourism, regional airports and meteorological services.

The Autonomous Government's prime minister has been awaiting this meeting since the taking of office of the new socialist central government; he had actually requested it a few days after he saw Felipe Gonzalez during a reception at the Palacio de Oriente on the occasion of Pope John Paul II's visit to Madrid. The reply was not received until yesterday, following by 1 day a note in which CD [Democratic Convergence] complained that this meeting had not yet been held. Jordi Pujol's party expressed its displeasure that the central government's prime minister had received the mayor of Barcelona before receiving the prime minister of the Autonomous Government.

Felipe Gonzalez and Carlos Garaicoechea will be meeting for the first time since the PSOE's [Spanish Socialist Workers Party] electoral victory and formation of the new government, although our correspondent in Vitoria, Marisol Vega, informs us that some contacts have already taken place between the two administrations.

Out of politeness toward the host of the meeting, the Basque Government's prime minister declined to discuss the issues that might be taken up at the meeting; but since it will be a first meeting, it is not difficult to imagine that there will be a general review of the problems affecting the development of the autonomy process, and, more specifically, the unblocking of the process of transfers that was slowed during the so-called "black biennium," a term "lendakari" Garaicoechea uses to encompass the tensions and confrontations between the central and Basque administrations during Leopoldo Calvo-Sotelo's tenure.

The meeting between Felipe Gonzalez and Carlos Garaicoechea had been scheduled for the week in which the central government's new delegate to the Basque Country, Ramon Jauregui, was to take office. On that occasion, the "lendakari" expressed his preference that the meeting take place after some progress had been made by the Joint Commission on Transfers, so as to preclude proceedings full of cordial amenities but lacking in substance.

This desire on the part of the head of the Autonomous Community, however, was not fulfilled, in that, today, the vice president of the Basque government, Mario Fernandez, will also meet with the minister for territorial administration, Tomas de la Quadra, to set a date for the resumption of talks.

BARRERA, CASANELLAS CLASH OVER ERC POLITICAL IMAGE

Barcelona LA VANGUARDIA in Spanish 13 Jan 83 p 10

[Article: "Barrera Reaffirms Republicanism To Prove His Party Is Leftist"]

[Text] Heribert Barrera, secretary general of the ERC [Republican Left of Catalonia], has attached no importance whatever to the resignation from the ERC by 13 of the party's leaders, some of whom were founders of the party. His statements to this effect were made on the ANTENA-3 "Buenas Tardes [Good Evening]" program. Joan Casanellas, one of those who left the party, insists, for his part, that the ERC has lost all of its leftist and progressive essence.

Heribert Barrera said, to begin with, that he respects the decision of the militants that are leaving the ERC, but that "I do not believe, however, it is a matter of great importance to the party." The secretary general of the ERC was reminded of what happened with the UCD [Democratic Center Union]. To which he replied that he sees no parallel between the two organizations: "The UCD," he said, "was a 'spillover' party formed by Mr Suarez under a particular set of circumstances. The ERC, on the contrary, has a long tradition and a much greater inner consistency. It is entirely out of the question that the same thing could happen to the UCD. All parties have their problems and this is always regrettable. But in the present case it is by no means a matter of a split."

Regarding the 13 "quitter" leaders, Heribert Barrera indicated that some were in a suspended membership status "and would have been expelled from the party at its next congress. Others are persons who, because of their age, occupied a purely symbolic position in the party."

It is common knowledge that one of the criticisms being leveled by the leaders who have left the party is that the ERC has lost its leftist character. Responding to this view, Heribert Barrera counters that "We are the country's sole republican party. The PSOE [Spanish Socialist Workers Party] is one of the apologists for the monarchy. One need only recall the words of Gregorio Peces Barba. We remain faithful to republicanism, which still means something in Spain, because the Spanish monarchy is not the Swedish monarchy, even though our Constitution is democratic. Felipe Gonzalez meets with the king every Monday and informs him of everything and spends several hours with him. This means that the king has a leadership role that the Swedish king

does not have. Furthermore, according to our Constitution, the king is the head of the Armed Forces." As evidence of the leftism of his party, Barrera cites its opposition to NATO and the fact that no vote it has cast in Parliament has been contrary to its principles.

Casanellas's Statements

"The ERC is not what it used to be. It is another party that retains only the name of the original one." Joan Casanellas, a founder of the party of Macia and Companys, former deputy during the Second Republic and senator during the previous legislature, heads the list of the 13 "historic figures" who have decided to abandon Heribert Barrera's party. "Of the three wings that once comprised the ERC," he stated yesterday to LA VANGUARDIA, "--the nationalist, republican and socialist--there remains today only a nationalism, but a nationalism converted into a rightist one like that of the Regionalist League. If Macia or Companys were to see this, they would be unable to understand it."

Casanellas insists repeatedly on his friendship and personal admiration for Heribert Barrera, but believes the ERC leader has made a mistake and has, with his present "secretariat," led the party toward rightist positions, as a result of his subordination to CiU [Convergence and Union] and of his unconditional support of Jordi Pujol's government, thus forming a majority with the UCD. "The voting in Parliament prove that the ERC has become a rightist party," Casanellas says, adding: "It is said that the laws passed by Parliament are merely technical, but the fact is that throughout these years the ERC has consistently voted with Convergencia and the UCD in Catalonia."

The historic founder of the ERC believes that the party has totally abandoned its original political niche, thus losing positions it had gained in 1979, the year in which the party went to the polls for Senate seats in a coalition with the socialists, in accordance with its leftist tenets. Casanellas considers that the "antisocialism" he attributes to the political line being fostered by the ERC's present leadership does not find justification in the LOAPA [expansion unknown]. "I voted against the LOAPA, but that has nothing whatever to do with antisocialism. I believe," adds Casanellas, "that men like Reventos or Obiols are as nationalistic as Barrera or Pujol himself."

Casanellas, who asserts that the signers of the letter have no intention of joining the PSC [Christian Social Party] - PSOE, points out his party's electoral fizzle in the last elections--"Losing is better than going to the polls with the Right," he says, alluding to the coalition with the CiU for the Senate--and cites the vote on the investiture of Felipe Gonzalez as proof of the ERC's "rightist transformation: "Considering that it was the first government of the Left and of freedoms," he maintains, "there was no choice but to vote in favor, with conditions perhaps, but nonetheless in favor."

The eminent former ERC leader also assailed his old party's internal procedures and, with reference to what he considers the "personalistic leadership" of the ERC, cites the last meeting of the ERC's national council as the straw that broke the camel's back. "The party's leadership uses undemocratic

methods to impose its views. Barrera uses regularly the threat of his resignation to force acceptance of his viewpoints, as happened recently in the last congress and in the famous meeting of the national council." At that meeting, as will be recalled, Barrera forced the "rectification" of a previously passed resolution that had been sponsored by a group of 38 national councilmen belonging to its reorganization movement. "We do not believe in this sector, although we share many of their views and despite their good intentions. They are in a minority, and the same thing will happen again, as usual, at the next congress." Casanellas justifies his action on the basis of loyalty to his principles and denies that any of the signers plans to join the socialist ranks. "Barrera," he concludes, "thinks he is on the right track, but he is mistaken and will lead the ERC to its political oblivion."

9399
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PARTIES SPEED MANEUVERS IN PREPARATION FOR ELECTION

Madrid EL PAIS in Spanish 11 Jan 83 p 13

[Article by Fernando Jauregui]

[Text] Since yesterday, most of the activity within parties has begun to focus on preparing for the municipal elections, even though they are still foreseeably 4 months away. Yesterday, socialists and communists separately discussed the basic criteria for making out their respective tickets; the Executive Committee of Popular Alliance [AP] basically discussed municipal issues yesterday and the congress of Antonio Garrigues' Liberal Democratic Party, to be held this weekend, will revolve around the debate on whether or not the liberals will run in these elections and with whom.

The Municipal Commission of the PSOE [Spanish Socialist Worker Party] Federal Committee held a meeting yesterday--headed by Luis Fajardo, Guillermo Galeote and Maria Izquierdo--in which they completed the criteria for preparing their candidacies, to which independents will be admitted, as previously reported. Starting today, the socialists will set in motion the mechanisms for drawing up their tickets, which will be submitted in "almost 95 percent of national territory," according to a PSOE source. Confidential polls in the possession of the socialists show that if the present trend continues, the party would be able to retain, or perhaps even increase, the number of votes received on 28 October.

As for the communists, the PCE Secretariat decided yesterday to take its time in approaching these elections: the lists of candidates will take specific shape between 17 January and 6 February on the basis of the criteria and campaign strategy determined by the party's Executive Committee, which will meet on 17 January. These lists will also include independents. The PCE's leadership hopes to be able to submit candidacies in 75 percent of all municipalities throughout Spain. The election committee, composed of Enrique Curiel, Juan Francisco Pla and Simon Sanchez Montero, will launch during the month of February a debate with neighborhood organizations, company committees and other mass organizations to "incorporate new ideas into the municipal election platforms," as Juan Francisco Pla stated yesterday. In March, the PCE will start presenting its candidates and platforms in each municipality.

More difficult to describe, for the time being, is the overall picture of the center and the right, where complex plans for partial and very localized coalitions are now being devised. Yesterday's meeting of the Executive Committee of Popular Alliance, in which the partial agreements with the UCD [Democratic Center Union] took up most of the time, is a good example. A report presented by Fraga pointed out that although a coalition with the centrists on a national scale must be ruled out, decentralized and flexible agreements can be reached on local, provincial and regional bases. Everything suggests, for example, that the UCD (which is considering the possibility of not running in Catalonia) would run in a coalition with AP-PDP [People's Democratic Party] in the province of Madrid.

Strengthening Process

But the debate over lists of candidates between the AP and UCD has not yet begun. Much will depend on the inexorable process of bringing the UCD itself closer to Oscar Alzaga's PDP, which has formed a coalition with AP. The PDP seems to have begun an internal strengthening process prior to what could be its new stage. In a brochure, of which 250,000 copies have been published, it stresses its self-proclaimed christian democracy, "of the same nature as the German CDU [Christian Democratic Union], the CDS [Social Democratic Center Party] in Portugal, the Belgian Christian Socialists or the Austrian People's Party, with the goal of forming part of the European People's Party and the European Christian Democratic Union."

These same goals with regard to international approval were expressed by the UCD's current christian-democratic leaders. Negotiations over municipal tickets, in progress between the PDP and its AP ally, would take on a new dimension if Alzaga's followers could count on the strengthening of the UCD's majority wing, excluding blues [far-rightists], before the elections. However, the internal differences within the centrist party may delay the rapprochement with the PDP until after May.

Other possible agreements to be signed by AP in its efforts to create a front to curb socialist hegemony have apparently not taken definite shape either. Even though Jordi Pujol continues to state explicitly: "No, we will not make an agreement with Popular Alliance," everyone predicts that in Catalonia there are many possibilities of a postelection coalition developing between AP and Democratic Convergence.

At the present time, the Democratic and Social Center, led by Adolfo Suarez, is the only centrist party insisting on running alone, even though it cannot run in all regions.

11915
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PUJOL FIRM IN MAINTAINING REGIONAL FRONT

Madrid EL PAIS in Spanish 10 Jan 83 p 9

[Text] Barcelona--The premier of Generalitat, Jordi Pujol, yesterday confirmed his intention to remain in office until the end of his term, announcing the formulation of a "program of legislative culmination." This program of culmination "will not mean any change. Perhaps a change of pace and certain priorities." In his statements to the newspaper of which he was its greatest mentor, EL CORREO CATALAN, however, he did not say how he plans to strengthen his weak parliamentary position, which is currently leading him to try to secure the support of any faction of the fragmented Catalonian center. He also deplored the existence of "slanderous insinuations."

Responding to the calls for his resignation, made by socialist politicians Raimon Obiols and Lluis Armet, based on the negative effects which the weakness of the present Generalitat government is causing for Catalonian autonomy, Pujol said that "anyone who wants to govern Catalonia must win the 1984 elections or replace the present Executive Council by means of a vote in parliament." With these words, the Catalonian premier confirmed the view of his associates, reported by this newspaper last Saturday, in which they challenged the opposition to bring a motion of censure. The socialists, although they have not ruled out this type of action, are not planning to do so in the near future.

Ready to resist to the end, Pujol stated with a slight degree of aloofness that "the day that the PSC-PSOE [Socialist Party of Catalonia-Spanish Socialist Worker Party] and the PSUC [Unified Socialist Party of Catalonia], plus any other force, since they cannot do so alone, decide to govern, they will let us know." Perhaps fearing the announced hardening of the socialist opposition, he added that "without going to that extreme, they can try to paralyze our government's action. But for the time being, they have not paralyzed us."

The argument offered by Jordi Pujol of the nonexistence of paralysis within the Executive Council is classic in its detailed manner of interpreting politics and this time it consisted of recalling the eight specific achievements of the last 40 days by the Department of Territorial Policy and Public Works, which is headed by Josep Maria Cullell. This listing is concurrent with the issuance of many analyses of each department's actions and projects, which have developed various guidelines through agency memoranda in the last few days in an effort to refashion the image of Generalitat's minority government.

"Maliciousness, Slander"

In Jordi Pujol's words, such a listing of actions performed "is my main defense, and I believe that it is a strong defense. In reality," he added, "I am attacked very little in the area of government action, in the area of what we do. That is where our opponents lack arguments. Thus they tend to do well in the area of schemes and rumors, and poorly in the area of what has been accomplished and what the people want and need." "In addition," he noted without naming names, "now there are those who have chosen malicious politics, half-truths, slanderous insinuations."

In recalling parliamentary criticism, specifically about his government's action concerning the floods (at that time, Pujol's visit to the affected areas took place several days after the disaster), the head of the autonomous government described it as "typical" and as actions "aimed very much at the public." And he returned the criticism, judging that "until now, the socialists attacked the Generalitat government for inadequate achievements in comparison to the Madrid government. On the other hand," he pointed out, "now they are quite restrained. For example, it is they who describe the flood damage assessments as high," which he interpreted as "an obvious attempt to help the central government to assume lesser commitments."

Regarding the upcoming municipal elections, Jordi Pujol said that they will not change his government and stated explicitly: "No, we will not make an agreement with Popular Alliance." And in response to those "who say that we are systematically and morbidly determined to have a confrontation with Madrid," he recalled that the only attacks "against the new central government have been made by the Galician Council and the Council of Andalucia." Satisfied with his year-end message, which basically consisted of a friendly talk devoid of political content, Pujol believed that "it was judged positive by many people." "By many people," he specified, "who were neither politicians nor journalists, only simple people."

11915
CSO: 3548/73

MAJOR DIFFERENCES NOTED BETWEEN PSOE, PCE

Madrid YA in Spanish 4 Jan 83 p 17

[Text] Cesar Cimadevilla will be elected permanent president of the provincial assembly.

When the current interim president of the Madrid ASsembly, Cesar Cimadevilla, is elected as permanent president of that body and the first vice presidency again goes to the Communists, this may serve to ease tensions somewhat between socialists and communists.

These tensions are not new but they have lately become more acute in view of the attitude of the government people in the Madrid Provincial Assembly which is openly criticized by the communist group and which endangers the continuation of the municipal pacts. If these pacts are not already broken, and it seems likely that they will not be, it will be, among other reasons, because municipal elections will be held in a few months.

The deep disagreements between the two political groups, whose union resulted in their becoming the majority group in the Madrid Provincial Government, are becoming more and more evident, as was acknowledged by Juan Barranco, who is responsible for the PSOE Madrid municipal policy. He said, "The problems between socialists and communists at the municipal level are limited to the Madrid Provincial assembly, a body where from time to time there are clashes between the two groups."

Although these disagreements have been going on for the last 3 years, during recent months they have been much more conspicuous, to the point that in an internal document which was received by the members of the Madrid Provincial Assembly, a communist member made a harsh criticism of the management of the areas of the government which are the responsibility of the PSOE. Emilio Ramon Rodriguez, the PCE spokesman, said among other things that the two councils controlled by the communists do not receive enough help, in contrast to those that are controlled by socialists.

Deputy Emilio Ramon Rodriguez states in the internal communique that the municipal pacts are constantly being weakened by the socialists and that the reason for this attitude is that the PSOE wants to break the municipal

pacts. The current acting president, Cesar Cimadevilla said, "In all probability, the ones who want to break the pacts are the communists and they have not found an excuse for doing so."

In view of the proximity of the municipal elections, it is unlikely that either party will break the pacts. The proof of this is that Juan Barranco, the PSOE official responsible for the municipality, said that the problem throughout the province between the two parties is limited to sporadic outbreaks in the Provincial Assembly where for more than a year they have not been in harmony.

Most probably, about the middle of this month of January, the Madrid Provincial Assembly will hold a special plenary session at which Cesar Cimadevilla will be elected permanent president. Cimadevilla took over the acting presidency when Jose Maria Rodriguez Colorado was appointed the civil governor of Madrid. Cimadevilla will be elected by socialist and communist votes. There are no disagreements on this even though the communists were displeased that they were not given the acting presidency for even those few days.

9204

CSO: 3548/85

DEL CAMPO SEES LITTLE LIGHT FOR PSOE POLICY

Madrid YA in Spanish 4 Jan 83 p 7

[Commentary by Salustiano del Campo: "Little Optimism"]

[Text] I have endeavored to track down some signs of optimism for the New Year in this weekend's newspapers and magazines, and I must admit that I have found few. Everybody predicts that there will be difficulties for the economy but not even that is the greatest cause for worry. What is the worst is that one cannot see anywhere the hope that usually comes with a change of government as important as that which took place among us in the last election. Jose Mario Armero, who is not exactly a pessimist, has entitled his first article of the year "It Is Too Early To Become Disillusioned" instead of "The Sad Socialist Christmas," perhaps because he fears that the latter title will be more fitting at the beginning of 1984. Ramon Pi, in LA VANGUARDIA, believes we are starting the year on a note of political uncertainty in spite of the fact that the verdict at the polls could not have been more overwhelming. We do not know where the new government plans to move, since up to now it has not done much more than to be cautious and to chide men of little faith who ask for proof that the government knows what it is doing and what it wants to do. Although the PSOE [Spanish Socialist Workers Party] has greeted its militant members and supporters with good wishes for 1983" the first year of the change," the phrase has little substance for impartial observers. If this were not enough, there is also criticism of specific actions, such as Jose Oneta's criticism of the appointment of civil governors, male and female, in which one can see the flowering of that so typically Spanish plant called cronyism which now has become "bosom-buddyism."

Among the factors which should be taken into account in making a judgement, but on which we still lack information, is an evaluation of the socialists' sense of humor, if they have one, which I, for one, consider indispensable for evaluating the statement that at the next municipal election campaign they are going to use as a slogan "continuity in change." In this slogan one becomes confused by the continuous movement and the pending revolution, because it is inexplicable that they should want to continue what has not been started or to make instability permanent. What we need, in order to be at ease--or the opposite--is an authentic political plan, and what we don't need is that after all this time and all these disappointments, the prime minister should assure us that "in

4 years of rule one cannot plan either the end of the crisis or the answer to social problems." That is not so. The fact is that it is one thing to win an election and it is something very different and much more complicated to govern, as Jimmy Carter's presidency in the United States demonstrated in an unequivocal way. Let us recall that in his case too the attitudes and gestures were there, but that is not enough and is even less so here, because our democracy has many loose strings to be tied up.

During 1983 we must reflect more than a little on the obvious lameness of our party system, which God forbid, must not become an incurable partial disability. I am speaking, of course, of the disparity between the Left and the Right, which does not have so much to do with the lack of clear preferences of the voters but rather with the inadequacy of the attempts to organize a valid alternative to the PSOE which is capable of competing with it on an equal basis at the polls. The socialists must be told in good faith that in some cases the future is nothing more than the evasion of current problems due to a lack of capability to cope with them. Felipe Gonzalez' statement that "the historic mission of this government and of the Socialist Party is to think in terms of a historic project lasting 25 years" sounds like just such incapacity. It may be all right to say this to ardent delegates at the PSOE congress but it is not satisfactory for almost all the other Spaniards.

9204
CSO: 3548/85

FRAGA, LAVILLA IN ANTICIPATION OF ELECTORAL PACT

Madrid ABC in Spanish 4 Jan 83 p 26

[Text] Madrid--Manuel Fraga Iribarne, president of Popular Alliance, will meet sometime during the course of this week with the president of UCD [Democratic Center Union], Landelino Lavilla, to resume conversations regarding a possible electoral pact between the two parties as they approach the coming municipal and autonomous elections. As ABC already has reported, the meeting between the two leaders, which had been expected to take place during the Christmas holidays, will be the second personal contact which they have had. As of now no specific date has yet been set, although it is possible that it may take place on Wednesday or Thursday.

Manuel Fraga, who returned to Madrid on Sunday, was at work yesterday in the party's headquarters. One of the subjects which the Alliance leader will confront after his Christmas vacation is a proposal worked out within the party about carrying out a broad poll among the provincial and affiliated committee boards of the AP [Popular Alliance] concerning what their opinion is about a possible coalition with the UCD. The proposal is one of the three points of the document that was written--and later submitted to the president of the party--by a committee which included Fernando Suarez, Alfonso Osorio, Gabriel Camunas and Abel Matutes, and which was appointed by the Alliance executive committee.

As this newspaper had already predicted, the other two suggestions of the document referred to the wish that the UCD would make public its conditions for entering a coalition for the municipal elections, with the intention of getting to know the "level of the centrists' demands." As will be recalled, after the last meeting of the UCD board of directors, the centrist secretary general Juan Antonio Ortega y Diaz Ambrona, told the information media that conversations between both parties were in the interest of the UCD, although he remarked that these contacts "can not be allowed to compromise the political profile of the party or the dignity of the UCD itself." This statement was answered by the assistant secretary general of the AP, Guillermo Kirkpatrick, who, referring to the dignity alluded to by the centrists, recalled the attacks which had been made on Popular Alliance by the UCD during the election campaign, without there having been any similar acts on the part of the Alliance.

This has up to now been the only public disagreement on the subject, since both sides prefer to remain silent about the specific content of the conversations.

Manuel Fraga and Landelino Lavilla have held one personal meeting up to the present, although they have exchanged ideas by telephone on other occasions. The meeting of the executive committee of Popular Alliance is expected to take place on the 10th of this month, and in it the current positions of both parties regarding this possible agreement will probably be taken up.

Furthermore, it is expected that the Alliance headquarters' move from its present location in Silva Street to one in Genova Street will take place during this month of January, when the work of completing the preparation of the new building will be finished.

8131
CSO: 3548/86

POLITICAL

SPAIN

BASQUE CENTER-RIGHT UNITY SEEN FOR ELECTIONS

Madrid ABC in Spanish 4 Jan 83 p 27

[Article by V.M.N.]

[Text] Vitoria--Popular Alliance, Democratic Center Union, Popular Democratic Party and the Liberal Democratic Party, political groups which made up a Center-Right coalition in this autonomous community in the last elections, will again run as a united group in the coming municipal elections, according to Florencio Arostegui, secretary general of Popular Alliance in the Basque Country. Mr Arostegui, after emphasizing the good relations that exist among the leaders of the parties mentioned above, said regarding this subject that "we are going to continue as a coalition, if only so as not to divide what has been united." He then added, referring to the centrist party, that even in the event that "an agreement with the UCD [Democratic Center Union] is not reached on the national level, we would continue the coalition in the autonomous community." In this regard the Alliance leader put special emphasis on the degree of integration achieved by the four parties, who in fact already share a joint headquarters.

"All of our groups that make up the coalition,"--Arostegui continued--"are completely interchangeable, because the AP [Popular Alliance] voters do not reject Marcelino Oreja, nor the UCD voters Mr Arostegui. In this sense we are leaders in the open dynamics of political groups of the Center-Right in Spain. In the Basque Country UCD is completely integrated with us; and what is more important, this is fully accepted."

Referring specifically to the coming elections for the Vitoria Parliament, the secretary of the Basque AP says: "If we manage to present a good explanation of what we have to offer in the elections, our group can hope to make up an important minority in the Basque Chamber. Despite this, if we should have to support someone else we would find it very difficult, because we are very far away from the PNV [Basque Nationalist Party] regarding the type of State to be desired, and we come nowhere near the program of the PSOE [Spanish Socialist Workers Party] as a model for society."

In these statements--published yesterday by HOJA DEL LUNES in Bilbao-- Florencio Arostegui also says regarding the opposition role played by Popular Alliance, "We understand that criticism should be constructive; on the other hand if we still have not strongly attacked the socialist government it has been because they have not yet made any major moves. Now, we do have to make a prompt response to their latest actions." Arostegui called the opening of the border at Gibraltar "an historic error by a government which lacks sufficient political maturity." Regarding the RTVE [Spanish Directorate of Radio and Television] the Alliance leader says that he notes that "the Public Entity is beginning to be a People's Center."

As for the loss of popular support for the terrorists, Mr Arostegui states that the factors which have had the most influence on this are the development of the Statute of Autonomy and Basque self-government. "The fact that we have a government, as well as a series of reasonable responsibilities, which we must continue to improve and broaden, has taken away much of the ETA's [Basque Fatherland and Liberty Group] subjective justification." Later he expresses his confidence that ETA violence will be ended. "But in order to make this possible," he explains, "we must have a government that is capable of accomplishing this; and in this regard I do not have confidence in the PSOE. I believe that Popular Alliance, when it comes to power, will put an end to this blight on society."

8131
CSO: 3548/86

ARMED FORCES INSPECTORS INTERVIEWED ON FUTURE PRIORITIES

Glanz Interview

Bonn WEHRTECHNIK in German Dec 82 pp 25-28

/Text/ In the following conversation, the inspector of the army, Lt Gen Meinhard Glanz, draws a primarily favorable picture of his branch of the West Germany military services, although there still are considerable problems in the personnel sector. For example, the army lacks approximately 10,000 noncommissioned officers. Thus, efforts related to the army's future are directed entirely at personnel and training--those areas will have priority over procurement. Where future equipment is concerned, however, the army will make good use of the time available; priorities have been established; there will be a plan for the Federal Armed Forces, closely related to the actual situation, on which the three services will work jointly. The inspector expressed great satisfaction with the army's fall maneuvers and with its cooperation with the Allies too. He thinks that moving an American division during the Reforger maneuver shows that reinforcements can arrive in a gratifyingly short time.

/Interview with Lt Gen Meinhard Glanz, inspector of the Army of the FRG, with WEHRTECHNIK, date and place not specified/

/Text/ /Question/ General Glanz, when we spoke together for the first time almost exactly a year ago, you had been the inspector of the Army for a month. At that time, you mentioned that you had taken keeping assignment tactics alive as your most important objective and that you wanted to move against "the enemy in peacetime"--that is, routine maneuvers. Have you been able to advance toward those goals, and perhaps toward others you had set, during the past year?

/Answer/ Even if I express it in figures, I can answer yes. Thus, more than 100 decrees, orders, instructions and papers of all kinds have been rescinded by the Operations Staff of the Army. We have been able to bring about a drastic reduction there. But what is even more important to me is the fact that inquiries from the army with requests for orders and regulations have definitely slacked off. I conclude from this that assignment tactics have remained alive and continue to live in the army. We will adhere to that and develop it further. That is a continuous process.

/Question/ One hundred decrees, etc., rescinded! Were there, and are there still, that many unnecessary decrees in the military service?

/Answer/ With the well-meant intention of managing things as perfectly as possible, avoiding mistakes and increasing effectiveness by that means, they certainly were necessary at one time. We had to find out that eagerness to accept responsibility can be checked and initiative can be killed in that way. The new structure of the army, in particular, caused us to take stock. When we did that, we were able to rescind a number of out-of-date decrees. Furthermore, we reduced the cost of information processing involved in logistics approximately 50 percent by introducing data processing in our logistical information service. That saves a lot of time and money.

/Question/ The daily press often reports that there is a lot of lying down on the job by those serving in the Federal Armed Forces, especially in the largest of the services, the army. Can you confirm that view, and what do you have in mind to do about it? Isn't this a question, again, of leadership and of having a sufficient force of officers and noncommissioned officers occupying the positions they are supposed to be holding?

/Answer/ Let me tackle your last question first. Quite definitely, having the noncommissioned officers' positions filled plays a decisive part. We are short approximately 10,000 noncommissioned officers. If we assume--purely statistically--that each noncommissioned officer must lead 4 men, about 40,000 soldiers do not have any "immediate superior." Therefore we must focus a great deal of attention on improving the situation with commissioned officers. On this, we hope that we are on the right path.

Now, on lying down on the job, the "nothing fellow" or "frustrated"-youth group has become liable to military service. Practically any service that is not fun, even if it is recognized as necessary, is described as doing nothing. So one must think about that when one hears complaints. Actually, we hear justified complaints only where there really is wasted effort and where the nature of the work is not demanding enough. I assigned the subject "training under the present conditions" to the commanders' conference of the army in March for that reason. We developed over a hundred proposals and we will put them into practice one by one. But it is clear to us that we will not be able to achieve 100 percent perfection in training and day-to-day service. We are leading human beings, and human beings are leading. Everybody has his strengths and weaknesses. Thus we will always have areas where we cannot be satisfied. But most of the time we are satisfied; I accept certain weak spots. If I were to demand 100 percent perfection there, I would kill assignment tactics in the first place, and in the second place I would produce a soul-less mechanism in which human beings cannot feel at home.

/Question/ But is not some of doing nothing the result of a lack of financing for training, so that running performance and ammunition consumption had to be reduced?

/Answer/ If that is given as the reason, it is not a valid explanation. Training can be made interesting and challenging in other ways. In 1981, however, we had a certain amount of lost momentum because of unexpectedly reduced resources, with which we were not able to cope by changing the training program. That has not happened in 1982, and it may not occur in 1983. The reductions in vehicular operation, for example, must remain in effect because of the financial situation but we have discovered that, by appropriate planning and management, we can adhere to them in such a way that they do not put excessive restrictions on our training program.

/Question/ Will this lead to a change in the Overall Training Plan (GAP)?

/Answer/ The Overall Training Plan is a tool--a prop--and not a binding regulation. It prepares the training material so that the training can be oriented to the training goals. As far as the nature, form and content of the training and the amount of time set aside for it are concerned, the instructor is left completely free, so that no changes in the GAP are necessary.

/Question/ The army's fall maneuver has been concluded. Perhaps initial results of the evaluation are available. Are you satisfied with the state of proficiency that the army demonstrated? Did the new "forms" of large-scale exercises that you announced a year ago prove their worth?

/Answer/ In the concluding discussion of the maneuvers, I was able to determine that the objectives had been attained, to a large extent, in every case. Maneuvers are examinations, in fact, in which we check on the forms and methods of leadership, training and equipping. The army passed that examination in good shape. We must look for new forms since we cannot progress with the conventional umpiring procedures in connection with the new weapons systems with more far-reaching effects any longer. But questions concerning the number of participants, times, launchings, combat-training programs, leadership procedures, communications connections, accommodations for guests and representatives of the press, etc., also are included among the new forms. We have already moved several steps forward in our search for new forms but we have not yet reached the end of that search. In the coming year, we will test other ideas and recheck those that we have already found. This process will continue for 2 or 3 more years. We are able to observe, at the same time, that our allies are also seeking new forms of maneuvers.

/Question/ This maneuver was probably also the first that, at the same time was carried out with formations organized completely in accordance with Army Structure 4. Were the hopes placed in Army Structure 4 fulfilled? Did the formations and units actually become more leadable?

/Answer/ A clear and unambiguous answer: in the opinion of everybody involved, Army Structure 4 proved its worth for the combat mission with complete success. I regard that as an excellent result. That army structure will be adopted in its entirety but not until 1985.

/Question/ Are you working on a new army structure?

/Answer/ As long as our mission and the peripheral conditions do not change, we will not need a new army structure. Military experience indicates that structures should remain in effect for approximately 10 years before one needs to think about changing them.

/Question/ In past years, the territorial army was given a considerable increase in overall importance and its combat strength was built up. How far have you gotten with the reorganization of the territorial army and what does the placing of the 6 Home Guard brigades under NATO command signify?

/Answer/ With the reorganization, which is already well advanced, the territorial army is expected, above all, as far as the majority of its missions are concerned, to retain its ability to protect rear areas in such a way that all NATO formations operating in our country will maintain their operational freedom. That includes the air force on its bases. To accomplish that, we will make intensive use of the following three conditions: the defense will be carried out on our own territory, we can rely on a big potential of well-chosen reservists and we can bring the armament to a fairly high level, even in the territorial army, through the introduction of new weapons systems.

We have set up 6 Home Guard brigades and mechanized them. Two of those are already incorporated in the field army so that their place is in the forward defense system. The other 4 are available, as before, in the rear areas, under the command of the territorial army, for use in missions there but at the same time they are ready to take on missions in the forward defense system. Thus these 4 are subordinate to NATO, if needed, and NATO can count firmly on their availability in critical situations. The 2 Home Guard brigades mentioned first are assigned to NATO and forward defense. Looked at in this way, we have increased our participation in forward defense from 36 to 38 brigades. Thus in peacetime these 2 Home Guard brigades are still subordinate to the territorial army; in maneuvers and in case of war they naturally rejoin their divisions or corps.

The Home Guard brigades always have this double role. What is entirely new about Army Structure 4, an additional 6 Home Guard brigades were set up as reserve units. In substance, they consist of the equipment for such units and are not intended to play the double role with NATO.

/Question/ Where equipment of technical sophistication is concerned, interest probably centers on the Leopard 2 and the introduction of the antitank helicopter. These and other large-scale programs call for large financial expenditures. In view of that fact, wouldn't supplementing the army's equipment with peripheral devices and other small programs have to move into the background because financing them is no longer possible? Is there really enough money to provide the army with a well-rounded equipment program?

/Answer/ Don't you have any easier questions than that one? Seriously, though, it is an important leadership task of the inspector and his staff to allocate and use the means available to us properly and to remain in equilibrium. Unfortunately, we cannot know for sure how much money we are going to have several years in advance. We soon will have another Federal German Armed

Forces plan with which we will get into the rhythm of planning again. With that plan, we will be able to work with clear equipment and procurement guidelines. However, we must wait from 1 year to another to see what funds will actually be allocated. We have established certain priorities and will let ourselves be guided by them. We will not provide every project with a little bit of money but rather will let three of them wait awhile, so that the others will be better provided for.

Question A new structure for the artillery will be related to the introduction of new weapons and systems for the artillery, such as the 70 field howitzer, the artillery observation tank or, in the future, perhaps new 70 self-propelled howitzers and medium artillery rocket launchers. How far along are you with those plans and when can the introduction of the latter two weapons systems be expected?

Answer The processing of the plans has advanced so far that we will be able to come to a decision in a year or 2. How that decision will go will be determined by when we receive the self-propelled howitzer and the medium artillery rocket launcher. We expect to have them by the second half of the present decade but I cannot give you any precise dates--that depends on what funds will be made available.

Question But complete replacement of the M-109G will probably not take place--for financial reasons?

Answer We had to reduce the number of the new self-propelled howitzers by half in the armaments cutback, so that we will carry out a partial generation turnover in the brigade artillery.

Question Won't the introduction of new ammunition that is guided in the final phase and has a greater range result in making the artillery more important?

Answer That is true. After the introduction of new weapons systems, the primary emphasis falls on their effect on the target--that is, on the types of ammunition, including mines. All the weapons that we have been procuring recently are designed for new, improved types of ammunition. There will not, and indeed there cannot, be an increase in the artillery's personnel, since the peacetime and wartime size of the army certainly cannot be increased in this respect.

Question How far are you with the concept of armored units for the 1990's? Will there still be five different wheeled or tracked vehicles as successors to the Marder?

Answer The ideas on which the planning for the armored combat units is based have been available for a long time but they must be adapted to existing technology and technological progress on a continuous basis. Since the planning extends far into the 1990's, we have time to work in new developments without a rush. The former idea of a family of five or more infantry combat

vehicles will not be put into practice. We are in the midst of investigating methods of reducing the multiplicity of vehicles. Simultaneously we are investigating what number will be needed--and the question of the availability of sufficient personnel also plays a part here. We must arrive at solutions that will make it possible to carry out our mission even with a smaller number of soldiers. We will complete the tactical request for the infantry combat vehicle as the basic vehicle within the next 4 months.

Question Training and leadership probably have still been in the foreground where the exertions of those who are responsible are concerned. Is training in line with actual conditions still possible when economy measures are also being put into effect here because of financial limitations? Could what is connected with operations possibly have priority over the question of procurement in the coming years?

Answer Both Minister Apel and Minister Woerner have expressed themselves clearly and unequivocally on this question. Operations will have priority over procurement during the coming year. That is in conformity with our view, for we cannot dare give less than sufficient training. The outcome of fighting will always be decided by trained soldiers, not by technical equipment. The art of leadership is to do what is necessary with the means available.

My battery and company commanders and my battalion, brigade and division commanders have not disappointed me. They have been able to keep the training going with the means available. I am sure that that will also be the case in the coming year. But we will make good use of the time with respect to future equipment. As I said earlier, we have established priorities. Therefore the fact that we are back in the rhythm of planning with the Federal German Armed Forces plan, as mentioned, which is worked out jointly by the various branches and is closely related to the actual situation, is crucial. It is to be submitted to the leadership shortly.

Question A strengthening of conventional defense will be unavoidable in order to raise the nuclear threshold. Will there be a restructuring, and possibly a re-equipping, of the army in an entirely different form, even while considering the suggestions of the long-term committee? For example, will the heavy combat tank be merely an antiquated museum piece in the year 2000, to put it quite bluntly?

Answer One thing must be made perfectly clear: we are completely committed to preventing war and not to waging war. If we want to continue to prevent war in Central Europe, the principle of deterrence must be preserved. Then uncertainty regarding the possible use of nuclear weapons must color an enemy's attack plans from the beginning. It must not be possible for an attacker to read our minds because we are too one-sided. Deterrence through fear must be preserved. We cannot dispense with the nuclear threshold. The point is that we must retain the freedom to decide whether, when and how NATO will resort to this means of escalation. To retain that freedom, conventional defense must remain strong and be adapted to fit technical development from time to time.

In the present state of our knowledge, we also will need a weapons mixture in the year 2000 that has deterrent power and does not permit the adversary to dupe us into arming ourselves one-sidedly and then, because of our one-sidedness, to put pressure on us or overpower us. Therefore we also need a high-performance gun, mobile in any terrain, that carries its crew and ammunition, protected by armor, and can be served by draftees--even in the year 2000--as a part of the mixture of rockets, artillery fire and air force ordnance. The demise of combat tanks has already been predicted six times in my lifetime. I don't believe it. What is important is for us not to rely on just one weapon. So I consider the combat tank necessary as a means of defense even in 20 or 30 years. Only if we catch the enemy at the border and not only stop the first formations but smash them--we can do that today--will we have a chance to delay the war in such a way that the aggressor will experience a pause for reflection and as a result we will get a chance to return to the status quo ante and avoid an automatic escalation. But to accomplish that we need to be able to carry out a flexible, active defense.

Question It has occasionally been said recently that if the East were to attack, it would use a type of blitzkrieg strategy. Can you confirm that? But, what is even more important, would we, relying as we do on reinforcements from the United States to a large extent, be equal to withstanding such an attack? You have just said that we could.

Answer As I said, we can stop the first attacking formations and smash them. Where the so-called blitzkrieg strategy is concerned, naturally anyone planning an attack will try to achieve a breakthrough in depth in order to achieve success as quickly as possible. Our system has made provisions for such contingencies, so that we have no doubts in that respect. That also is an element of our flexible-response military strategy.

We also should not overlook the fact that we have moved forward quite a bit where reinforcement by our allies is concerned. Our allies' ability to transport several divisions here in a very short time is ensured by the Wartime Host Nation Support Agreement. A good example is this year's Reforger maneuver--an American division was alerted on the drill grounds, on the firing ranges and in garrisons in the United States and flown across the Atlantic. Here it picked up its equipment, which had been stored here, and marched from the depots into the maneuver. That was an operation that did not have to be calculated as consuming days but only hours. One couldn't imagine it working any better. Thus, the rapidity of reinforcement has increased considerably.

Question You mentioned the Wartime Host Nation Support Agreement. When will this produce results where the army is concerned? When will the supporting forces promised in that agreement be set up?

Answer We are building up step by step. The first items were settled on during the 1982 budget year. There will be new territorial army units. Most of them are units with equipment only. It will be possible to expand the army's defensive scope by this means, for we will not be able to manage with the scope that it has had up to now. Thus the reservist potential--strengthened--will be used. The new formations will train during the Reforger maneuver. Liaison elements will be created.

Detailed planning began in January. We have completed approximately 45 percent of the planning work. I consider that a splendid organizational accomplishment. The territorial army will be enlarged overall by that means and its missions will be expanded. Its political significance will also increase, for ensuring the reception of reinforcements is of very great political importance where bringing crises under control is concerned.

Obleser Interview

Bonn WEHRTECHNIK in German Dec 82 pp 32, 35-37

/Interview with Lt Gen Friedrich Obleser, Inspector of the Air Force of the FRG, with WEHRTECHNIK, date and place not specified/

/Text/ The statement by the inspector of the Air Force, Lt Gen Friedrich Obleser, contained in the following WEHRTECHNIK interview, that a manned air defense aircraft is indispensable for the air force will please the part of industry that is concerned with preparatory work. However, the inspector wants a competitive situation maintained as long as possible. Air defense is to be made capable of handling the increased threat in the 1990's with this aircraft but improvements may be brought about even before that in the ground-based air defense system with the introduction of the Patriot system. Lt Gen Obleser could not give any information about how the problem of protecting specific targets--perhaps together with the Americans--will be solved. It is gratifying to learn that air force pilots are flying an average 180 hours per year again.

/Question/ A few days ago, the DWT /expansion unknown/ forum on the Tornado and the Alpha Jet took place in southern Germany. Both aircraft were praised highly. However, I cannot get rid of the feeling that certain questions exist with respect to the combat effectiveness of the Alpha Jet on today's battlefield. In our conversation a year ago, you also praised the Alpha Jet highly, particularly its maneuverability, and you emphasized its ability to engage helicopters successfully. Have the practical tests in the past year produced favorable results?

/Answer/ The meeting in Munich did actually indicate clearly that the possibilities and capabilities of this small weapons system are still far from being fully exploited--for example, where combating helicopters is concerned. Last year we analyzed its technical performance, concluding our tests this year. Our expectations were not only satisfied, they were more than satisfied. In this mission, the combat effectiveness of the 27-mm Mauser gun was quite outstanding, both from the point of view of reliability and from that of accuracy. The number of hits was far greater than we had obtained in the past. That makes us hope that the Alpha Jet, even with its present armament, is an excellent aircraft for combating helicopters. But

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this is only the first step. We will carry out additional technical performance tests and technical testings of the weapons in cooperation with the German Army. The fact is that the army too must defend itself against an enemy's combat helicopters. That is not in conflict with our efforts in any sense. We want to stop the helicopters and head them off before they get into the battle. The individual helicopters involved in the fighting somewhere will not be our targets, but--as in the case of "counter air"--helicopter formations before they can go into action on the battlefield.

Great importance is also attached to the problem of combating helicopters in NATO. Thus we, with our experience, will get together, on a rather large scale, with the Americans and the British--the Americans will use their A-10 but the British have somewhat different ideas.

Question Is it conceivable that the Alpha Jets, which are used for direct support of the army, will also be associated more closely with the army as far as command functions are concerned?

Answer As I said, we will develop technical performance analysis further. Consequently, we will look into any possibilities that will make the best possible use of the Alpha Jets. We will not think about prestige at all. What is best for the mission is what will be done.

Question Where the TKF expansion unknown is concerned, something like a pause for reflection has taken place in the air force this year. What will this situation be next year?

Answer The pause for reflection that was decreed for us as a consequence of the armaments cutback will continue until 1983. It is obvious to us that a decision must be made in 1983 on how things are to be pursued. But the "pause for reflection" is being used intensively for deliberation. There is no doubt that a manned air defense aircraft will also be indispensable for us whatever may happen on the ground-supported air defense side. Many analyses, draft studies and conversations with our partners in the alliance, too, have confirmed this. This aircraft must be made as good as it can be but, in contrast with our past wishful ideas, it does not have to be able to do everything. We already deviated from that idea a bit with the Tornado when we made it as good as it could be for all-weather air-to-ground missions. We must demand that the new piece of equipment be a purebred aircraft for modern air defense. Then it follows, from our knowledge of technology, that this aircraft has a high degree of usefulness in a secondary role in this variant. It doesn't work the other way around. At the same time, we have discovered that the ideas of our partners in England, France and Italy, which originally were far apart, have come closer together. However, there still are differing ideas in regard to the date when the aircraft will be available.

We would use a modern, high-performance air-defense aircraft now. That is a major, pent-up demand in the air defense program. Therefore we do not ask some question, such as "When will we need the aircraft?" but "When will we be able to afford it?" The purely technical capabilities no longer constitute the primary requirements. The tasks of combat effectiveness will be achievable

with the foreseeable aircraft without any great technical risks. We must emphasize--at least where we Germans are concerned--a solution that is favorable from the point of view of costs and, in addition to the aircraft, embraces all other areas. The construction must be simple, expenditures for the maintenance of the material are to be reduced and the flexibility of the system must be increased in view of the need to provide it with ground support. The concept of fighting from a fortress, as it were, will no longer be the only requirement. Flexibility and the ability to move more quickly--that is, also cross-servicing and standardization--will gain greater importance.

Question What is your attitude toward the efforts of industry to begin as quickly as possible on the extremely extensive development of a kind of "pre-prototype" or agile combat aircraft financed by individual enterprises?

Answer We cannot commit ourselves now to move in one direction or the other but we are very interested in knowing what activities the industry will develop. In principle, we are happy to see that, after the many speeches and demands for activity by the industry itself, the industry is doing something. But I must state unequivocally that we cannot uncompromisingly take over what emerges there. The industry must realize that additional "black boxes" are of no use to us if longer training periods, complicated servicing and consequently higher personnel and financial requirements are involved. Thus I also regard these efforts primarily as a sort of technology program that is to subject certain areas to testing in order to show what is possible and what is not.

We would like this not to take place within a single syndicate. A competitive situation maintained as long as possible also makes sense from the military point of view. How we will participate in these activities or what role we will play in them is not clearly defined. I would like industry to inform us what it intends to do in order to square this with our ideas. And I repeat that the industry is asked to look for simple solutions--products that the soldiers can handle. On the other hand, I would like a decision, for 1983, in regard to the direction that we will be taking and within what framework we can make commitments.

Question If it still holds true that the TKF will not be needed until the middle of the 1990's, that means a very long period for the F-4 to be in use. Are there concrete proposals for possible measures prolonging its life or possibly equipping it with radar-guided missiles such as the Amraam?

Answer One must not overlook the fact that the F-4 is more than 25 years old. Although it is an outstanding aircraft, its flight performance indicates that it no longer is one of the modern aircraft such as the F-15, F-16 or F-18, by any means. One can make up for inferior flight performance with better weapons to a certain extent. That has been our intention and it will continue to be our intention to a great extent.

However, the fact that the Phantom requires a great deal of servicing must be considered. Thus one of our objectives, in connection with a new aircraft, is precisely to reduce this amount of servicing--the costs of maintaining the

materiel--considerably, or even drastically. A decision must be made some time as to whether providing the F-4 with new weapons--a step that is indispensable from the point of view of combat capability--can be reconciled with the high cost of operation, which then would be even higher, only to be left with an aircraft whose flight performance does not come up to present-day ideas. Or would it perhaps be better to make a move earlier and put a certain amount of money into a new system instead? But these decisions are not due until the end of the century unless the peripheral financial conditions change and then we will have to look into the question earlier.

Question Still another question regarding the TKF: is it really necessary to develop a new, highly maneuverable aircraft? Couldn't many missions also be carried out by the Tornado if it had the appropriate armament?

Answer Our geographic situation is not the same as that of the British, who have a flying girdle of outposts with the air-defense version of their Tornado and, in addition, a high defense capability with long-range radars and missiles. We, on the other hand, are in the middle of the battlefield of the air war and therefore we are (at least 50 percent) the hunted. We will have trouble taking up a firing position with our aircraft. On the other hand, we will have plenty of airborne enemy targets. Furthermore, we will have to use a great deal of ingenuity to keep from suffering losses right on our airfields, for example. Climb power, maneuverability and flexibility are required then. I cannot contend with that kind of danger with some kind of "mixed aircraft."

Question The air force can be broken down roughly into attacking and defending air formations. Fighter aircraft and various systems of antiaircraft missiles belong to the air defense system. In addition to these, there are the reconnaissance and transport formations, etc. Isn't this multiplicity of different combat machines too big for a nation that belongs to an alliance? Wouldn't a division of missions be more appropriate in this area, and also more cost-effective?

Answer As a matter of fact, it often is not very obvious but we already have some division of missions in the alliance, and also in the waging of air warfare, in many areas. For example, our air force does not have all the machines for waging air warfare that the other air forces of the alliance have and that are used in the alliance within the framework of joint waging of air warfare. Only think of the very long-ranging reconnaissance systems of the Americans or their longer-range aircraft and guided missiles. There is already a certain division of missions here. But one should also take into account the fact that the division of missions is always a division of responsibility. Here in Germany we are standing in the very front line of defense and therefore we, in contrast with our allies, cannot renounce certain areas of air warfare and merely leave it to others to take care of them.

Question The German Air Force provides approximately 25 to 33 percent of the air forces stationed here in Central Europe. Since our territory is to be defended from the air, above all, our ideas about that surely should have entered NATO's concepts. Are you satisfied with regard to this or do you encounter difficulties from time to time in putting your ideas across?

/Answer/ First of all, I should like to correct you here: the German Air Force provides 30 percent of the combat units in Central Europe, 40 percent of the ground-to-ground missiles, 40 percent of the antiaircraft, 60 percent of the air-traffic control and 100 percent of the low-flying aircraft reporting service. By doing so, the German Air Force provides a considerable portion of what is here: its share within the alliance is quite important. That also holds true for the ideas that we succeeded in putting across in NATO. In this area, I am fundamentally unsatisfied but one should always bear in mind the fact that NATO is an alliance of free nations and thus many points of view must be considered and brought to a common denominator. One can also inquire whether the framework of our participation in NATO staffs is correct. Here we perhaps have not attached sufficient importance to the question as to whether our officers were sufficiently represented on those staffs. We should see to it that our participation is somewhat broader--in conformity with the proportion of German units in overall NATO strength.

/Question/ Air defense confined to the ground might still be a problem that causes a great deal of trouble. What are your plans; in particular, when will the NIKEs be replaced by Patriots and how many of them will be replaced? What might the protection of a particular target look like?

/Answer/ The armaments freeze at the beginning of 1981 hit air defense as its particular point of concentration, especially as a result of the abandonment of the procurement of Rolands for the protection of targets. In spite of our studies, we have not been able to find any other suitable system for protecting specific targets. Instead we are trying to come up with remedial measures, since the present protection of targets is actually not up-to-date. Where we are concerned, the antiaircraft missiles of the NIKE Hercules and Hawk types still belong to the ground-based air defense system. Both of those systems were introduced many years ago and have also been improved to a more or less extent in the meantime.

Nevertheless, they do not meet more modern requirements for a comprehensive antiaircraft defense. We will not be able to improve the NIKE Hercules again. Instead we are thinking of replacing that system with a corresponding number of Patriots, which are also being brought in by the Americans.

A product improvement program is in progress with the Hawk but it is questionable whether we can improve the system again. The cost of maintaining the material will rise so that a timely replacement of them by a new system that in addition conforms better with present-day requirements for a modern antiaircraft missile system is possibly the more cost-effective way. Certain plans leading in that direction are being made in the air force under the catch phrase "medium antiaircraft missile system 90 (MFS 90)."

/Question/ We hear from America the proposal that the U.S. Air Force should use the so-called British method of protecting American airfields in Germany--that is, that the United States should buy an antiaircraft missile system but that it should be operated by German personnel. Would that be at all possible from the point of view of personnel and couldn't a short-range antiaircraft missile system be provided here for the protection of German and American airfields?

/Answer/ Originally it was the Americans' intention to have their airfields in Europe protected by Roland systems of the U.S. Army--that is what the Americans use for antiaircraft purposes. That system is used only to a very limited extent in the United States, so that the U.S. Air Force is confronted with the problem of protecting its airbases again. So far, they have not approached us officially in regard to a joint solution of the problem. We naturally are interested in such a joint solution of the problem of target protection on airfields but I would like to make it clear that we want to make not only the American airfields secure but also the German airfields, in any case. If defense were necessary, the German fields would be used by American air units--that is, the so-called colocated bases (COB's).

/Question/ In a lecture a few months ago, you referred to the fact that the military units' ability to respond to leadership is an important point and that we had to have a dynamic leadership system--also for the purpose of making better use of our combat systems such as aircraft and missiles. Could you give us a more concrete idea of what you meant by those remarks?

/Answer/ In connection with the role of the Alpha Jet in combating helicopters, I said that we want to develop performance technique further in order to arrive at the most suitable use of the weapons system. That holds good not only for that aircraft but also for all present and future combat machines to the air forces stationed in Central Europe. It holds good quite generally that we must shorten the time consumed by the leadership process and that new forms of responsibility and command tactics must be found. We are already engaged in discussions of this subject with our allies.

/Question/ Considerable importance is attached to countering the second strategic echelon in the effort to raise the nuclear threshold. Are there any plans leading in that direction in the air force--that is, new weapons for Tornados with "distance range" /sic/, for example?

/Answer/ That is the normal path of development for an airborne weapons system. The Tornado is designed, right from the beginning, to receive weapons of many different kinds. I should like to stress once again what I said at the forum in Munich: even from the present-day viewpoint, in the Tornado we have an optimal aircraft for the missions that it is intended to perform. Specifically under the present threat we probably could not perform the "interdiction" and "counter air" missions as well with any other aircraft as we can with the Tornado. Since the Tornado is a flexible weapons system, we naturally also think of having it carry other weapons than those that had been available.

/Question/ An air force weapon about which hardly anything has been said is the Pershing ground-to-ground missile. To what extent is that weapon system to be modernized? There certainly is no thought of introducing the Pershing 2 into the German Air Force even if the Americans should bring that weapon system to Europe in the counterarmament process.

/Answer/ Let me make the following clarification. The Pershing 1 of the German Air Force is not one of the medium-range nuclear weapons being discussed in Europe. Its range is not long enough for that purpose. It is considerably less than that of the Pershing 2 and the cruise missiles that will be stationed in Europe if no agreement is reached in the arms limitation negotiations in Geneva between the United States and the Soviet Union. There is no thought of introducing the Pershing 2 in our air force in any case. The only question is how we will continue to use the Pershing 1 if the Americans retire their Pershing 1's. Up to now, we had joint logistics with the Americans. To organize logistics for our systems would be very expensive and would be almost impossible if we are the only beneficiaries. Therefore we are considering modernizing our Pershing 1's in order to attain a greater amount of unity within the Pershing weapons family again. But I cannot tell you precisely how that will look. Further discussion of this must take place before that can be decided.

/Question/ A reduction of flying hours necessitated by the shortage of financing was a subject discussed a great deal a year ago. At our last interview, you referred to better utilization of flying hours, the better training resulting from that, etc. Has that step brought about the success hoped for, and how many flying hours per year does each pilot now get in the German Air Force?

/Answer/ After a 9-month interruption, our pilots are getting the 180 hours of flying time per year required by NATO again this year. These are naturally average numbers of hours. One pilot flies more and another flies not quite as many hours. And this increase in the number of flying hours is absolutely necessary. Actually something like a turnover of generations has taken place this year among German Air Force pilots. Whereas the majority of the pilots formerly had a very large number of hours of flying time--with some of them getting more than 4,000 hours--the generation of pilots flying now get an average of approximately 1,100 flying hours, which is not nearly as many. Therefore, it is naturally of great importance for them to fly a lot and for good use to be made of their flying hours. The system of making better use of hours of flying time introduced during the past year has completely lived up to expectations in this respect.

Bethge Interview

Bonn WEHRTECHNIK in German Dec 82 pp 41-42, 44, 46-47

/Interview with Vice Admiral Ansgar Bethge, Inspector of the Navy of the FRG, with WEHRTECHNIK, date and place not specified/

/Text/ From certain published items and from discussions concerning the German Navy's contribution to the NATO alliance, an impression may have emerged recently that our navy's area of concentration is being shifted from the Baltic to the North Sea. To that the inspector of the navy, Vice Admiral Ansgar Bethge replies, in the following interview with WEHRTECHNIK, that the navy's area of

concentration, as always, lies in the Baltic Sea and that it actually consists of securing the strategically important approaches to the Baltic Sea. Nevertheless we should not fail to recognize the fact that the North Sea component is being strengthened, by six planned, new submarines of a 211 class, for example, which--because the financial means for the procurement of an additional six frigates are lacking--are to be used there chiefly for the purpose of fighting underwater and surface warships. Successor models for the 206-class submarines are also planned but in all probability they will not receive a propulsion unit independent of the outer air, which, however, the navy is continuing to make great efforts to obtain. The strengthening of the airborne component by the introduction of the Tornado and ship-supported helicopters is typical of the navy. In addition, combat helicopters (re-equipping the existing Sea Kings) are planned. Thus, the navy has fewer problems in the area of materials than with personnel. According to the inspector, there is a shortage, above all, of seamen with 4 years of service or more.

/Question/ You put two of the six Bremen-class frigates that had been ordered into service this year. A great deal of praise for the frigates has been heard from the navy and munitions. Can you confirm this and tell us some of their special advantages? Are there some problem areas?

/Answer/ I can join in the praise of the new ships to which you are referring right down to the ground. The records of the functioning of the first two ships have indicated unequivocally that the technical requirements have been fulfilled, or even overfulfilled, in almost all areas. To mention only a few of the advantages that you wanted to hear about:

--In the face of the high heating oil prices, Frigate 122 provides assurance of extremely economical running service by comparison with the frigates of other nations.

--The standardizations achieved, both in the national area and on the NATO level, make considerable savings of operating funds possible in the utilization phase in some cases.

--Compared with other modern ships belonging to our NATO partners, the F-122 offers its crew living conditions of optimum quality. Special emphasis should be placed on the lack of noise throughout the ship.

--The command and weapons-employment system may have no equivalent among ships of comparable size where modernity and effectiveness are concerned. In addition, after the F1 1800 S EloKa system and the RAM antiaircraft system become available, the ships' air defense capability, measured by present-day capabilities, might be maximal. Of course there also are areas where problems will always make their appearance when a new weapons system is introduced. Thus,

for example, the provisioning process has not yet been completely perfected to the last detail. However, like a few rather minor measures that still remain, that will be made good in the next few weeks and months. But that does not have an adverse effect on the current planning for the use of the ships.

/Question/ You mentioned RAM. I often get the impression that its development is being retarded sharply. When will the RAM be ready for use?

/Answer/ The RAM will come at the same time as the FL 1800--after initial delays with both of these closely related systems, which form a pair--but it will do so early enough so that we will be able to install it on the sixth frigate, which then can be put into service fully equipped. The American Navy also stands entirely behind the RAM (system) and apparently is also going to procure this system.

/Question/ Will there also be a seventh and an eighth frigate of the Bremen class?

/Answer/ There is no talk that these two ships would follow immediately after the six already ordered under a supplementary contract.

/Question/ The navy's air force will also put two new aircraft models into service this year--the Tornado fighter bomber and the Sea Lynx frigate-based helicopter. Are you satisfied with the performance capability, the state of development of the material and the training of the crews and ground crews?

/Answer/ When the Tornado was put into service in the first operational combat unit, the naval air force's Squadron 1 in Schleswig, on 2 July 1982, we were taking a significant step toward making a necessary adjustment in combat effectiveness. The aircraft's performance capability is in conformity with the navy's tactical requirement of the F-104G's successor model. In that connection, I should like to emphasize its ability to use its weapons in all weather situations, its high load of weapons adjusted to the existing threat and its considerably better ability to penetrate because of its ability to fly at low altitudes and its EloKa equipment.

A very intensive phase of adjustment to the new equipment with respect to the training of the flight crews and technical personnel and to logistics preceded the acceptance of the flight operations system in the naval air force's Squadron 1. The training called for a great many personal sacrifices by the participating individuals. The efforts and the investments connected with them are paying off. A few parts of the equipment, such as checking soil, testing equipment and documentation, for example, are still missing and assistance from industry is needed in these areas. Also, the trinational logistical procedures must be used until they become habit. However, the flight-operations training is not affected adversely by this. In all, the taking over of this weapons system is going much better than the taking over of the F-104G weapons system earlier, although the Americans had already introduced this system at that time.

With the frigate Niedersachsen, we have another platform for accumulating experience with shipboard helicopter operations. I should like to remind the reader that the operation of helicopters on ships is an absolutely new field for us. Therefore we are training the crews step by step. In doing so, we are relying heavily on, and are being supported by, our partners in NATO who use the same system.

We have not yet attained the full operational performance spectrum since the concluding functional tests with the submersible sonar are still going on. The technical readiness for action conforms with the newly introduced system. An exchange of propulsive units with equipment aboard the ship, which was executed in an extremely short time on the frigate Bremen, demonstrates the operational efficiency of the personnel and the Sea Lynx's suitability as a shipboard helicopter under the limitations aboard ship.

Question You are replacing the F-104G's with Tornados on a 1-for-1 basis--a huge increase in combat effectiveness--and you will bring in an additional 12 Sea Lynxes. Accordingly, the naval air forces must be strengthened with additional personnel. Where will those people come from?

Answer The naval air forces were strengthened by rearrangements within the navy; the flying personnel practically had to be doubled for the Tornado. But personnel itself is not the greatest problem: the big problem is the budgeted slots. We hope very much that additional table-of-organization positions will be authorized in the not too distant future.

Question The losses of ships in the Falklands conflict resulted, at that time, in what was probably a premature view in certain circles that warships were of no importance any longer in the guided-missile age. What lessons would you draw from that conflict in regard to the equipment of the German Navy? In view of their aluminum superstructures, would such devastating fires have been possible on German ships?

Answer Analyses of jeopardy are being worked out on the basis of the experience gained in the Falklands conflict that have become available. Precise statements are being made on the combustibility of the ships' hulls, facilities and equipment and their fire-prevention capabilities within the framework of those jeopardy analyses. The result, or some of the results, are supposed to be available by the end of 1982. No matter how the analyses turn out, it can already be stated that the great majority of the British losses of ships were not directly caused by missiles and bomb hits but were also attributable to the consequences of shipboard fires not brought under control. The greatest hindrances to fire-fighting turned out to be inpenetrable, rapidly spreading smoke, burning material and the fact that insufficient respirators had been provided for the crews. Where the use of aluminum as a construction material is concerned, it should be stated, first of all, that aluminum is noncombustible but it melts at temperatures of about 580° to 600°. The molten metal in turn can flow into other areas of the ship and ignite parts of it with flash points of 600° or less. All West German warships and fast patrol boats of the navy have aluminum superstructures to

varying extents. However, the 122 frigates have aluminum superstructures only to a limited extent. The central point is perceived as consisting of improving the ships' safety equipment and the personal equipment of the crew.

Question The German Navy has two quite different operational areas: the North Sea and the Baltic Sea. I have had the impression for some time that the German Navy's planning for the future concentrated more on the North Sea and the adjoining portion of the North Atlantic than on the Baltic Sea. Is that a consequence of an increased threat in that area or of the fact that American naval forces will presumably be used in other areas of the world in a war?

Answer Your impression is not in conformity with the actual situation. We look at our operational area--the Baltic Sea, the Baltic Sea approaches and the North Sea--as a strategic and operational unit. Consequently the machinery for waging naval warfare can also be used in those waters. Submarines, fighter-bombers, fast patrol boats and mines are pieces of equipment primarily suitable for the Baltic; we want to extend our defensive capability with combat helicopters. The equipment for naval warfare in the North Sea are primarily frigates, destroyers and antisubmarine-warfare and offshore-reconnaissance aircraft and, of course, when needed, the Tornados and submarines. With these pieces of equipment and these plans, we will measure up to an altered situation as far as the threat is concerned. The threat has changed because the Soviets have changed to building ships with weapons of very long ranges that are capable of navigating on the high seas. However, the updated planning also becomes necessary because of the tight financial situation and the shortage of personnel. Thus, after the class-120 frigates become available, the required combat effectiveness in the North Sea must be maintained by submarines, since the cost of submarines is less than that of frigates and they require less personnel. In doing this, we are accepting the fact that antiaircraft capability, which just does not exist on a submarine, is being reduced to a justifiable extent.

You also spoke of the withdrawal of American naval forces. The German Navy does not intend to compensate for any withdrawals by means of additional shipbuilding projects. We are of the opinion that the new weapons systems of the North Sea navies would be in a position to make up for the absence of American forces to a certain extent. However, I should like to emphasize the fact that we do not yet have any concrete knowledge of any American plans of that kind.

Question Will an intensified orientation toward the North Sea and the Atlantic also be accompanied by an intensified German participation in the international staffs that are concerned?

Answer I should like to make it clear once again that the navy's mission lies in the area of the northern flank, not in the Atlantic. If defense becomes necessary, all our forces will come under SACEUR. However, they also can be asked for for the area of SACLANT or--if mine sweepers are involved--for that of CINCHAN on the basis of agreements between the three highest-ranking commanders, if the situation calls for it. Our idea of proportionate

participation in the international staffs that control our forces in combat, along with the other forces in their area, is based on this. Furthermore, it should not be forgotten that the FRG is very dependent on safe sea travel and that joint security measures, particularly for crises where the focal point is the maritime headquarters of SACLANT, and also of CINCHAN/CINCEASTLANT, are being worked out within the alliance. The navy actually is represented on both staffs but in my opinion it is not yet represented on a level conforming with the FRG's dependents and the forces made available by the FRG. However, I am confident that some improvements may be made in this area over the long run.

Question Is there anything noteworthy, with respect to the potential threat, that has become apparent recently and perhaps is causing you concern?

Answer If one looks at developments in the Warsaw Pact's navies in the last few years, a number of noteworthy, qualitative changes affecting the threat actually have taken place. In that connection, I am not only thinking of the program involving the construction of oceangoing ships, which is in progress, as a result of which--if the expected Soviet Navy ships are delivered--the field of operations of the North Atlantic and the Norwegian Sea must be evaluated differently in a few years.

I am also thinking, in particular, of the Baltic Sea, where a development toward more quality and a trend toward perfecting leadership, procedures and equipment are perceptible in all areas. A new, qualitatively improved generation of surface warships, landing boats and aircraft also being delivered to the Soviet Navy is even better adapted to the conditions of marginal sea warfare in the Baltic Sea than the departing generation. But there in the Baltic Sea--permit me to emphasize this again--is where the principal mission of our navy and the Danish naval forces lies; that mission is to build up a defense to secure the particularly important strategic position of the Baltic Sea's outlets.

Question Could you mention a few examples of the new, qualitatively improved generation?

Answer The Soviets are introducing air-cushion vehicles more and more and the result is very rapid delivery. Furthermore, they are improving their capabilities in the field of antisubmarine warfare with surface warships and submarines. The arsenal of missiles for use against sea targets is being modernized rapidly. Guidance capability is strengthened by new communications and ELoKa systems.

Question What conclusions can be drawn from an altered threat as far as the navy's concept of the problem is concerned? Will the missions change and will that lead to a reevaluation of individual subareas by the navy and in that way to a strengthening of certain components or to new types of equipment?

Answer The navy's concept of the problem is based on the alliance. An essential mission of the NATO navies continues to be preventing an adversary

from attacking our territory by sea and securing the sea lanes essential to survival. The German Navy contributes to the accomplishment of this mission in the northern flanking area. And nothing will change with regard to this assignment of missions. In this situation, the principle of forward defense continues to hold good in the Baltic Sea just as it does in the northern flank waters outside the Baltic. That means cutting off an aggressor before he reaches our coast or before he endangers or disrupts our sea lanes. In that connection, fighting at a distance from the land remains just as much of a necessity in defense at sea as defense in the areas that are close to the coasts and individual targets. Therefore the navy must continue to have balanced naval and naval air forces capable of being used flexibly and, in its future planning, consider the scant financial resources and the decreasing personnel resources in addition to the threat. No basically new kinds of equipment for sea warfare for the navy have been observed. However, it is possible that the relative number of units of various kinds of equipment will be changed. The studies are not finished but the use of submarines in the northern flank area, even outside the Baltic Sea, and the use of ship-based and land-based helicopters against submarines and surface targets may gain importance increasingly. A more rapid forming of strongholds may be possible as a result of the strengthening of the airborne component.

/Question/ Can one describe that as a trend away from boats and away from ships?

/Answer/ No, not by any means. The air forces have an insurmountable disadvantage. They are not stationary in the endangered area; they can only remain for a relatively short period. But if one wants to secure areas of sea, ships must be stationed there. Therefore ships and boats are especially suitable for preventing or clearing up crises.

/Question/ In our last interview, you attached great importance to submarines that are independent of outer air. It seems as if submarines of that kind will come only in the next generation but one, but that more conventionally designed 211-class boats would be built first--as you said--for use in the North Sea. What are your ideas in regard to the future of the German submarine weapon?

/Answer/ The disadvantages of propulsion systems dependent on outer air continue to be perceived because of the adversaries' increasing antisubmarine warfare capability. Therefore, developing a propulsion unit for our submarines that is independent of outer air continues to be a long-term objective, since there can be no question of nuclear propulsion for us. However, it has become clear, in the meantime, that the costs and the time involved in developing such a propulsion unit only make it possible to introduce submarines equipped with it into the navy a great deal later. For that reason, it is our intention, beginning in the second half of the 1980's, to take steps to maintain the combat effectiveness of the 206-class submarines and then to procure submarines with conventional propulsion again.

Boats of a 211 class are to be built first. They are to be designed so that they can be used primarily outside the Baltic Sea within the framework of a defense echeloned in depth in the northern-flank waters. Subsequently the 206-class submarines are to be replaced, one at a time, by new boats.

Question In the agreement with Norway, which was signed recently, it is stated that the German Navy will buy 12 command and weapon-utilization systems for the new submarines to be developed in Norway. Are those the systems for the 12 North Sea submarines that probably will be used for antisubmarine warfare?

Answer First of all, the first 6 submarines are planned primarily for use in the North Sea. We do not know precisely the configuration of the second series, which is also to receive this command and weapon-utilization system. A new torpedo will make possible their use against submarines and surface targets.

Question Will the boats that eventually are to replace the 206-class submarines get propulsion units independent of outer air?

Answer According to the present status of technology and development, there still will not be any boats independent of outer air.

Question Probably about 2 years ago the Navy began a detailed study in regard to the S-148's fighting power compensation. All kinds of conventional and unconventional types of boats, surface-effect aircraft and helicopters were to be studied. Have initial results been obtained, and what would a fighting power successor look like?

Answer The investigations in connection with the fighting power compensation of the 148-class fast patrol boats included both studies and practical tests. Special attention was devoted to the unconventional ships--the so-called advanced naval vehicles (ANV). In that connection, I should like to remind you of the exercises and tests with the VT 2 air-cushion vehicle and the HMS Speedy hydrofoil boat carried out jointly with the Royal Navy in our operational area.

The studies have been concluded and are being included in a tactical-operational evaluation of the ANV in comparison with other equipment for waging sea warfare. Deliberations regarding the fighting power compensation of the 148-class fast patrol boats have therefore not been concluded. They are incorporated in the study of armed forces requirements for the 1990's, in which--in view of the fact that personnel and material resources are becoming scarcer--calls for greater flexibility with as little expenditure and effort as possible occupy a prominent position where our sea-warfare-waging equipment of tomorrow is concerned. The realization that the effectiveness of the fast patrol boats in cooperation with helicopters can be materially improved becomes firm within that framework.

Question We published a detailed article about the German minelaying and minesweeping forces in WEHRTECHNIK a few months ago. What importance do you ascribe to that part of your navy and what do the future plans for that part of the navy look like? Will the fast 343-class minelayers/minesweepers come, and also the 332 minehunters? Will it be possible to pay for all this?

/Answer/ The missions for mines and mine defense are being taken care of in the Baltic Sea by the fast 340-class and 341-class minehunter boats, among others. The time when it will no longer be economically justifiable to keep those boats in commission can be foreseen. Therefore the navy is planning to replace them with 10 fast 343-class boats for use in mine warfare toward the end of the 1980's. The definitive contracts with industry are to be concluded by early 1983. For mine-defense missions in the North Sea, our navy is keeping 331-class minehunter boats, among others, in service; they will have to be put out of service in the 1990's because of their age. The gap in mine defense resulting from that is to be filled with minehunter boats, possibly designated as 332-class boats.

These plans, as always, are a part of the navy's equipment planning, which covers the period until the end of the 1990's. On the possibility of paying for the projects, I can state that both projects were included in the planning under the provisions of the budget prognoses for the second half of the 1980's and 1990's in the navy's equipment program. Consequently, as the situation appears now, it should be possible to finance the projects. But today's appearance by no means necessarily conforms to the evaluation of tomorrow. The importance of our mine warfare forces to our defense is unquestioned. Safeguarding our coasts and the approaches to our territory by water with minefields is the last stage in defense operations that are echeloned in depth. In the same way, a mine defense component must stand ready to keep shipping routes and harbor passages free from the enemy's mines.

/Question/ Has the importance of mines increased?

/Answer/ Mines are gaining considerable importance as a means of defense because new technologies make a broader spectrum of possible uses for mines.

/Question/ In every yearend interview, we probably ask about the navy's personnel situation. Like the other branches of the service, you have certain problems in that area. Do you have any successes, or rather improvements, to report? Where does the shoe still pinch?

/Answer/ The personnel situation is still not satisfactory everywhere in the navy. As an example, I should like to emphasize two special problem areas. First, a continual drop in the number of enlisted men with longer terms of service--seamen who have served for 4 years or more--has been observable for some time. Thus, according to the navy's personnel status as of the beginning of September 1982, where the table of organization called for about 7,550 enlisted seamen, approximately 1,250 of that personnel group were not on the rolls.

That decline was caused by the reduction of the "money rate size" /sic/--that is the average number, for the year, of individuals with longer terms of service in all personnel groups--as a result of which the number of enlisted men with only 2 years of obligatory service in the navy had to be reduced.

Because of the shortage of individuals with longer terms of service and of noncommissioned officers, the number of draftees being inducted had to be

increased to bring the navy up to peacetime size quantitatively and at least to make sure that all table-of-organization positions were filled--although some of them were filled inadequately. In September, the number of seamen in that personnel group was about 12,000, while the table of organization called for 8,500.

Furthermore, because of the large reduction in the number of individuals with longer terms of service, the base from which our corps of petty officers is recruited was also being reduced at the same time. As a result, coverage of personnel requirements where petty officers are concerned--in September 1982, there was already a shortage of 1,500 petty officers, commissioned and noncommissioned, in comparison with a table of organization calling for approximately 16,500--will be made even more difficult.

In particular, it will become increasingly more difficult in those personnel categories where a large shortage has already existed for a long time--in electronics, among others. But that shortage also cannot be reduced because the existing strength can scarcely be maintained since the petty officers falling in that category are frequently not willing to commit themselves for 8 years, although what the professional advancement service offers for an enlistment for that period is auspicious: 12 months in the Federal Armed Forces technical school while in the service and up to 18 months of technical training after service in the armed forces.

In the second place, I am still concerned, as before, about the unfavorable situation with the age of line officers. As a result of the unbalanced age structure, the number of retirements will fall in the coming years and will not begin to rise again until the early 1990's. This lack of balance is the main reason for the stagnation in assigning officers to new positions and the consequent advancement stagnation. For example, older boat commanders would have to give way to young officers just for reasons of their ability to handle responsibility. We must orient our requirements for the recruitment of officer candidates to the yearly number of retirements; otherwise the officer candidates could not be promoted to ensign after 3 years, as called for by the regulation covering the careers of naval personnel, because of a lack of table-of-organization positions. Because of that limitation, the supply of officer candidates, which is now extremely favorable, cannot be fully taken advantage of.

In conclusion, I should like to remark that the age structure is also unfavorable with officers in the military service and with commissioned petty officers and is also beginning to affect the problem of nontransferability in these personnel areas increasingly in an unfavorable way. In fact, all officers and petty officers concerned will continue to achieve their career objectives but the age at which they are promoted will increase sharply.

Question You wanted to improve the living conditions aboard boats and ships with the "human being aboard ship" action. Did that program receive the approval you had hoped for?

/Answer/ The steps that were taken were welcomed unanimously by the crews of the ships and boats. However, the strained budget situation did not leave that program of action unaffected. Thus, there were considerable delays in connection with various procurement programs. In spite of all the difficulties, however, we succeeded in putting individual measures into effect on approximately 50 ships and boats in 1981 for a total of 3.4 million DM; approximately 5 million DM were invested for the same purpose in 1981. It was possible to carry out a number of relatively simple improvements connected with comfortable living conditions and individual care, at least on ships undergoing refitting in shipyards.

Intensified efforts are being made to carry out further minor improvements with the help of crew members and in close cooperation with the naval dockyards, under favorable cost conditions.

9258
CSO: 3620/142

MILITARY

FRANCE

RPR OFFICIAL EXPRESSES DOUBTS ON HADES USE

Paris LE MONDE in French 22 Dec 82 p 9

[Article: "Lancien (RPR) Worries about Conditions For Using the Nuclear Missile Hades"]

[Text] At the meeting of the defense committee of the National Assembly, which has begun reflection on the groundwork for the 1984-1988 military planning law to be presented for parliamentary approval in the spring of 1983, Mr Yves Lancien, RPR deputy from Paris, expressed strong feelings last week about certain of the directions being taken by the project to reorganize the army (LE MONDE 16 Dec).

Specifically, Lancien worried about the conditions for using the nuclear missile Hades which has a planned range of 350 kilometers.

Observing that this device is capable of aiming "in front of NATO lines," the RPR deputy, leader of the internal defense committee of his own party, asked, "Will it be used on enemy concentrations before the beginning of an offensive? During it or after it?"

Lancien brought up the problem of reconnaissance of Hades targets. Doubting that existing means could be sufficient to properly fulfill this mission, the deputy thought that the reconnaissance Mirage III's would run into the concentration of antiaircraft means of the forces of the Warsaw pact [nations] and that French planes could only go into NATO air provisions with the agreement of the United States. "We would be partially dependent on American information on enemy movements," explained Lancien who wondered whether such a situation was compatible with an independent strategy.

On the possible creation of an autonomous antitank helicopter force, Lancien wondered whether "the possible action of a mobile air force in front of the allied military provision in Central Europe is also compatible with our own means of information and whether it doesn't implicate NATO."

9969

CSO: 3519/235

MILITARY

PORUGAL

CAVALRY GENERAL TAVARES' DISMISSAL CREATES CONTROVERSY

Lisbon TEMPO in Portuguese 6 Jan 83 p 31

[Text] The army chief of staff, Gen Garcia dos Santos, dismissed brigadier Galeano Tavares from the post of director of the cavalry branch because he (as part of his duties and under the pertinent sections of the regulations in effect) proposed brigadier Carlos Azereido for membership in the cavalry branch council.

The branch councils were created after 25 April and they are governed by special regulation. This regulation calls for the election of some of the council members and the appointment of the others by the army vice chief of staff. Some are appointed because of their duties, while others are selected. The appointment is made at the proposal of the respective military branch commander who in turn presides over this consultative body.

It has been the practice in the cavalry branch to appoint--in addition to the six elected officers (a colonel, a lieutenant colonel, a major and three captains or subalterns)--the two branch inspectors (currently brigadier Carlos Azereido and colonel Pereira Coutinho), because of the positions they hold, and two more officers whose worthiness and prestige are recognized by their comrades.

Brigadier Galeano Tavares was informed of his dismissal by Gen Garcia dos Santos after the latter had called him to his office. The brigadier's dismissal thus takes on unusual gravity because it is yet another discriminatory measure taken against a general officer who enjoys great prestige in his branch and carries out duties of recognized responsibility. One of the prerogatives of his post is the action that led the CEME [Army chief of staff] to assume such a violent attitude. The CEME could have simply not approved the recommendation made to him.

Naturally, the case is the subject of a great controversy because it falls into the harsh and repressive line being followed by Gen Garcia dos Santos against some military men of recognized capability and prestige. This line is usually taken for reasons of little importance or even without any valid foundation. Brigadier Galeano Tavares has reported to the army general staff where he awaits placement in a new post. He has already been replaced by brigadier Santos Teixeira who until recently was military governor of the Azores.

9935

CSO: 3542/6

DEFENSE MINISTRY WANTS DATA GATHERED ON TORNADO

Madrid EL PAIS in Spanish 12 Jan 83 p 15

[Text] The Spanish Ministry of Defense has issued instructions to the general staff of the Spanish Air Force to collect exhaustive data on the Tornado aircraft of European manufacture. This development follows up on the instructions given recently by the prime minister, Felipe Gonzalez, to the effect that the signing of the draft agreement relating to the FACA (Future Air Combat Aircraft) program will be approved but at the same time the European planes will be assessed in depth, among them the Tornado whose purchase was rejected by the Spanish Air Force in 1978.

The decision approved by the Council of Ministers on 22 December 1982 to authorize the draft agreement relating to the FACA program which would involve the purchase of 84 F-18A Hornet aircraft built by the McDonnell Douglas Corporation for an amount of 356.4 billion pesetas has come up against the opposition of various industrial sectors and that of the Spanish Air Force. On one hand, the armed forces' command seeks to acquire that system of weapons which it considers best for the assigned missions while the industrial sectors are displeased with the offsets offered and which, to a large degree, are not identified or whose fulfillment cannot be demanded.

The Tornado, an aircraft produced jointly by Germany, Britain, and Italy, seems to have been undervalued at the first stage of the FACA program, according to official reports, because it could not meet the established specifications on account of its design. According to the opinion of some experts, the Tornado did not pass the operational assessment tests given that each Tornado can fulfill only at very high cost an air attack or defense mission even though, in either respect, it is very efficient on account of its great capability.

According to sources in the Ministry of Defense, the Tornado did not pass the operational evaluation tests since it did not meet some of the requirements set by the general staff of the Spanish Air Force for completing the FACA program: Diversification (defense and attack missions), a minimum lifespan of 20 years, and a logistical design of a high operational level. Specifically, according to the Spanish Air Force, the basic requirement that it did not fulfill was that of being able to carry out diversified [attack-defense] missions.

In the next few months the Tornado, also designated as the European combat aircraft option together with the French-made Mirage 2000, will be subjected to intensive tests which will also be applied to the American-build F-18A and F-16 aircraft, the final contestants in the FACA program.

This assessment assumes the checking out of numerous parameters relating to cost-effectiveness analysis, accuracy, survival, load, operational range, and economic-industrial criteria. It is probably that for this evaluation Spanish pilots may travel around in Europe to perform the said tests in the aircraft.

Sources involved in the FACA program told EUROPA PRESS that "despite this evaluation sought by the Spanish Government, its outcome will be the same as in 1978 given that the Tornado is not the proper aircraft for this program." These sources also added that "if for some reason it became necessary to give up on the purchase of the F-18A and to lean to the European option, the general staff of the Spanish Air Force would see itself obligated to change its plans. If there was really a serious intention to purchase the Tornado aircraft, then the command of the Spanish Air Force would have to alter the requirements established in selecting the suitable aircraft but in the meantime this is not possible given that technically the same parameters continue to apply in determining how this selection should be made."

2662
CSO: 3548/72

MILITARY

SPAIN

BRIEFS

MANUFACTURE OF F-18A, EXOCET PARTS--The printed circuits for radar carried by the American F-18A fighter-bomber and the French Exocet missile have been manufactured in Spain at the plant of the Electrical and Communications Company, Inc. (CESA) in the Barcelona district of Esparraguera, according to a report of EUROPE PRESS. The F-18A aircraft designed by the American McDonnell Douglas Corporation uses circuits printed with 14 layers on a plate whose approximate dimensions are 25 by 15 centimeters with the potential of accommodating millions of connections. The price of this small gadget is 850,000 pesetas per unit. The printed circuits used by the Exocet are smaller and consist of only six layers even though they also make hundreds of connections possible. [Text] [Madrid EL PAIS in Spanish 11 Jan 83 p 12]
2662

CSO: 3548/72

BERLIN'S ECONOMIC STAGNATION, GROWING FOREIGN POPULATION

Zuerich NEUE ZUERCHER ZEITUNG in German 13 Jan 83 p 5

Article: "West Berlin's Worries and Plight: Identity Problems of the Former Capital"

Text At the lower end of Berlin's Kurfuerstendamm, close to the burnt-out ruins of the Kaiser Wilhelm Memorial Church, the building of the former Chinese embassy radiates in new splendor. The structure, protected as an historical monument, is among a number of building complexes which, as representatives of the post-1871 period of rapid industrial expansion Gruenderzeitarchitektur and as victims of the desecration of the Kurfuerstendamm suffered during the post-war construction boom, have been restored and are now a pale reflection of the once magnificent boulevard. Still, the structures cannot conceal the growing decay of the Kurfuerstendamm.

Trend Towards Discount Quality

After dark, at the upper end of the boulevard, at Halensee Bridge, touts seek to lure the strolling crowd into sex-shops and similar night-clubs. At the subway station Adenauer Platz, quick vendors offer their ware with Levantine chattiness. Loud music comes blaring out of discotheques. In the evening hours, the motors of motorcyclists sic are roaring who, with their heavy engines, are running down Kurfuerstendamm as if they were in an actual race.

At the edge of the approximately three-kilometer-long boulevard, a large number of curry sausage vendors have set up shop, and street peddlers offer their goods. Elegant and expensive boutiques have been forced to make way for discount stores with cheap mass-produced merchandise. Well-known restaurants and eateries of long standing have given way to self-service establishments. Berlin's only three-star restaurant in a side street off Kurfuerstendamm closed down recently.

The decay and growing deterioration of exclusive boulevards and magnificent avenues is, of course, not a characteristic feature of Berlin alone. The Berlin situation is, however, special in its external effect which is of much greater significance than that of boulevards in other large cities that have undergone similar, although not so drastic changes. Ever since Berlin ceased its function as the capital and the city was split up, the Kurfuerstendamm is

looked upon as a sort of a seismograph which indicates the political, intellectual and economic state of West Berlin.

Decreasing Squatter Agitation

If here, as it happened recently, a big German car manufacturer is considering shutting down his showrooms in Berlin, if elegant stores and fashionable restaurants are closing down, this is interpreted as a sign of economic emaciation and threatening provincialization. As a rule, big demonstrations designed to make a political mark are being held on Kurfuerstendamm. If street battles with the police develop here, if store windows are smashed, it attracts much more attention than if such disturbances take place in other parts of the city.

The decline in squatter demonstrations on Kurfuerstendamm, the small response from sympathizers to such events, and controversies in the occupied buildings concerning the demeanor of the Senate and the police, are now seen as an indication that the squatter problem has lost part of its original explosive force. To be sure, 107 buildings continue to be occupied in Berlin. When the CDU Senate took up its functions in June 198, their number was almost 170. Also, no mutually acceptable solution is in the offing for most of the occupied buildings, after negotiations between their owners and the squatter organization "Net Building" collapsed because the Senate and the union-owned home builders association "New Homestead" Neue Heimat refused to accept a solution the squatters had demanded for all occupied buildings. Although "Net Building" disbanded in protest against the failure of the negotiations, no riots or excesses developed. For the city's political leaders, the occupied buildings are "no longer the most pressing problem," as Mayor Richard von Weizsaecker noted before the most recent convention of the Berlin CDU.

Foreigner Problem Intensified

Those in authority are much more concerned about the demographical development of Berlin. The number of foreigners living here are meanwhile soared to about 250,000; i.e., about 12.5 percent of total population. In addition, there is an unknown number of foreigners, primarily from the Near East, who entered West Berlin illegally via GDR airport Schoenefeld and who in many cases are involved in drug trafficking.

The Senate is making efforts to put a damper on the continuing influx of foreigners by applying restrictive measures; however, the percentage of the total population who are foreign nationals keeps rising simply because Turkish families have lots of children. At present, every fourth child born in Berlin belongs to a family of foreigners. In the district of Kreuzberg with its above-average foreign population, the percentage of foreign children in the elementary school system has reached almost 60 percent.

In contrast, the percentage of the German population is shrinking because of the disproportionately large number of old people and a drop in the birth rate--more deaths than births--as well as the continuing migration of Berliners to West Germany. If this trend, which has been in evidence for years,

continues, by the year 2000, West Berlin's population will have shrunk to about 1.5-1.6 million people, of whom more than 300,000 (or 20 percent) are foreigners.

Such a development would be more than this walled-off city could stomach; a city which has been fighting for its identity and self-confidence ever since the deceptive hope that, in the foreseeable future, Berlin might once again become the capital city, has given way to a realistic assessment of the future. The population is increasingly worried that the day may come when they are no longer masters in their own homes, and the danger of increased animosity against foreigners is on the rise.

Integration is Difficult Problem

Political leaders are well aware of the many facets of the foreigner problem. Even if they were successful in keeping the percentage of foreigners at a reasonably stable level, the different problem would remain of how to integrate Turkish families who now consider Berlin their home and no longer want to return to their home country. Anti-integration Koran schools, preaching Islamic fundamentalism with an anti-western thrust, promote the existing tendency toward isolation from the German population as does a misguided construction policy which abetted the ghettoization of Turkish families in the inner city and its old buildings. Attempts to correct past construction sins--which contributed to the decay and neglect not only of the Kurfuerstendamm but also of old buildings in Kreuzberg--are to be undertaken in a large international building exposition, IBA, which at first was planned for 1984 but later postponed to 1987. IBA's basic idea--construction of new housing blocks while carefully rehabilitating old buildings--is designed to create a new model-like cityscape in the Kreuzberg and Tiergarten districts which suffered heavy damage during the war and were neglected by municipal building policies for a long time. However, in view of existing differences between the competent authorities in the Senate and IBA's management, a tense relationship has developed among those architects who are responsible for the restoration of old buildings and those responsible for planning new structures. This relationship gives rise to fear that the ambitious plans for new construction in Berlin will not materialize, at least not in their original form.

The IBA plans also provide for new accents for the city as a whole. The drafts take into account construction possibilities in a city no longer divided by a wall. The division of Berlin and Germany has not blocked out consideration of living relationships in an undivided city *[gesamtstaedtische Lebenszusammenhaenge]* and the location of the city at the center of Europe. Some initial thought has been given to the possibility of making use of Berlin's former role as intermediary for Europe in the cultural area. Recently, at Aspen Institute, cultural functionaries from West and East explored the possibility of utilizing Berlin as an intermediary for improving the cultural dialogue between Western and Eastern Europe. Still, exaggerated expectations are being thwarted by political realities. When West Berlin thought aloud about joint preparations for, and celebrations of, the divided city's 75th anniversary, East Berlin responded with a stinging refusal.

FRG Commitment

How very much Berlin's viability depends on the political and economic commitment of the FRG has become evident again in these times of scarce budgetary funds and increasing unemployment. The reaction of Berlin's highly subsidized cultural system was just as "allergic" as that of the Senator for Finance when Bonn was forced to use its red pencil to cut its assistance to Berlin. Workers are indignant when enterprises in the FRG have to shut down their branches in West Berlin.

The politically responsible people and the population of Berlin agree that the politics of detente and the Four Power Agreement have not brought the normalization they had hoped for, but instead have led to forced job reductions and dangerous economic emaciation which West German enterprises are expected to take care of through increased commitments in Berlin. Former Bonn Minister Apel, when coming to Berlin to attend a trade union convention, expressed deep concern about the situation in Berlin. Apel's assessment should be taken as evidence that current conditions on the Kurfuerstendamm are, in fact, a true mirror-image of the general situation in Berlin.

7821

CSO: 3620/169

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